

A Checklist for Businesses Affected by COVID-19

Prepared by Quantuma (2020 Restructuring)

Key Actions to take and Contingency Plans to make

These urgent actions apply to businesses and companies regardless of size.

This is the guidance we are giving to the many businesses we are advising, many of whom are now working from home and wondering where to start.

Last week's announcement from the Chancellor set out a raft of measures to assist businesses which could make a vast difference to many businesses. Some of the detail which will enable you to access these packages is still to follow. There are, however, a number of actions that business can undertake to prepare for speedy applications and to prioritise what is most time-critical.

As you would expect, banks and HMRC are being very supportive of the businesses we are advising through these very challenging times. There are two key points that may influence the checklist below:

- A 'Business Plan' for recovery and repayment will put you on the front foot – you should be ready to talk through this plan with lenders and creditors
- Be mindful of any director, personal or family member guarantees that already exist for loans. New guarantees may be required for any government backed loan schemes

You should be considering the following:

- Coronavirus job retention scheme for those businesses who have concerns around staff
- Remote working/Early Holidays/Short Time Working/Sick pay/SSP/Travel Policies/Health and Safety Policies/Redundancies
- Maintain an open dialogue with Customers Suppliers Contractors and Trading Partners
- Time to Pay: Defer VAT/PAYE/NIC/CIS/MGD payments **for pre-agreed periods**
- Defer Rates Payments where you are able to
- Where applicable, claim new business rates reliefs
- Maintain an open dialogue with landlords - agree Rent
- Prepare updated Bank Facilities including Capital Holidays
- Coronavirus Business Interruption Loan Scheme - with effect 23 March. **These are loans, not grants – a business plan which details your ability to repay this will be essential**
- Defer Capital Expenditure

- Apply for a reprieve on finance repayments in respect of Hire Purchases of Leasing - three to six months or more if you can
- Improve and accelerate Income
 - Credit Control is of paramount importance
 - Reduce the amount of stock you carry
 - Review your insurance policies
 - Review your contracts and advance orders
 - Review your routes to market
 - Review and where possible revise your T&C's

There are many practical steps which businesses who are in a stronger position will be able to take either themselves or with their professional advisers.

Businesses which have either been exhibiting signs of distress prior to the onset of the COVID-19 crisis will benefit from speaking to our advisers, who can assist in many areas, including:

- Cash flow management and cash flow forecasting
- Working capital solutions
- Communications with key stakeholders
- Business plans and the necessary forecasts to support loan applications

We are also advising clients on the restructuring and insolvency options available to them.

[In the instance you have concerns about the immediate viability of your business, please get in touch with one of our qualified and experienced advisers who are on standby to assist you. We are able to offer advice 7 days a week at times to suit you.](#)

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