

SMALL BUSINESS EMERGENCY ACTION PLAN

Not all businesses are going to survive the next three months. If your customers are in isolation and cannot get to you or you cannot deliver or they cannot pay you, there is the reality of reduced or no sales for the next three or so months and even beyond if the virus remains.

The situation we face is one we cannot change we must accept that and it's the same for everyone - we know because our business depends on your success.

What you can do is stay healthy and 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.

The Government has stepped up to the plate and we will be letting you know how to get help in due course. We believe in planning for the worst and hoping for the best so work through the following action points. Call us immediately you see a problem in remaining viable.

So, here's what you need to do if your sales are going to take a hit.

1. Stay healthy, follow the Government guidelines for you, your family, co-workers, employees and community. Work from home where you can manage administration.
2. Work out your expenses (including salaries) for the next three months.
3. If you are in retail – work out your breakeven point by dividing your costs by the Gross Profit margin. That's the sales figure you must achieve to cover expenses.
4. If you are in the service sector add your expenses to how much do you need to live on and that's the breakeven point in terms of billings or fees you need to charge over the next three months.
5. For hotels, pubs and restaurants contact us immediately. For manufacturers work out product sales and do the same calculation.
6. If it looks like you are not going to be able to operate at break-even look at your cash or bank balances – have you got enough money saved to survive after paying anyone you owe money?
7. Estimate your cash flow over the next three months using the attached resources to help do this.
8. If you need help in doing these calculations talk to us – we can talk you through these for you. Without the figures you cannot make clear decisions.
9. Once you have a grasp on your figures and you consider you have a “viable” business (can you survive for the next 3 months):
 - a) There is Government support and we will provide you the information and guidance on how to apply to this help and if you qualify.

- b) Talk to your bank if you have loans or an overdraft. They will be supportive of viable businesses.
- c) Get your members of staff involved in a discussion of likely trading conditions and get their input on reducing costs and maintaining revenues.
- d) Review your list of products and services and eliminate those that are unprofitable or not core products/services.
- e) Get rid of won't pay customers.
- f) Review your debtors list and chase up overdue invoices (if appropriate).
- g) Offer existing debtors extended payment terms and/or discounts.
- h) Agree extended payment terms with all suppliers in advance.
- i) Put extra effort into making sure your relationships with your better customers are solid.

10. If your business is not viable – talk to us and we will run through the options.

Above all stay strong! Remember your health and welfare is more important than anything else just now. We will help you every step of the way. Together we will beat this!