

## Coronavirus Bulletin

Winchester Bourne 27 March 2020.

Hello Everyone

This is the first of what we plan to be timely, helpful Coronavirus business updates for all our clients from Winchester Bourne.

As a firm we are fully functioning from our various home offices throughout Hampshire and beyond our "Head Office" at Sullivan Court is manned each day by one of the team. Our Team never ceases to amaze me, they are all exceptional, working hard, rising to all challenges and utilising a multiplicity of technologies to remain very much in touch with our clients and each other and they are still sharing a good sense of humour.

### **Most importantly Winchester Bourne is open for business as usual!**

We are here to help you in any way we can.

However, these are far from usual times!!

Over the past week various Government initiatives to support business have been launched, though the detail of exactly how these will work in practice is only slowly coming through and there are still many unanswered questions.

Today I will outline the most relevant areas of support available for our businesses I hope this will answer a few questions for you and keep you well informed.

To summarise:

- **No VAT is payable (falling due) between 20 March and 30 June.** Deferred taxes from this period will be payable by 5 April 2021. VAT returns will need to be completed and submitted as usual and we recommend that any DD arrangements in place are stopped and restarted at the end of this period to ensure payments are not automatically taken.
- **The Self-Assessment payments due on account at 31 July 2020** can be deferred to 31 January 2021. However, HMRC currently asks that those who are able to pay in July, do so.
- **SSP** is payable from day one when staff are self isolating due to Corona Virus. The first 14 days SSP are repayable to companies by HMRC although full details of the method have not yet been released.
- **Business interruption loans scheme** means 80% is guaranteed by the government, no guarantee fee for smaller businesses. Interest free and free of fees for 12 months. Overdrafts/invoice finance/ term loans or asset finance on offer through 40 lenders including all high street banks. Under £250K no guarantee required on main home. Banks will assess viability for lending from company accounts reflecting business performance before the impact of the virus.

There is controversy currently about the accessibility to the schemes and the banks attitude towards lending, many are insisting on Directors' personal guarantees and diverting customers to alternative products that will carry high interest rates once the 12 months has expired. This attitude may well change now though as the Chancellor and Governor of the

Bank of England wrote directly to the banks yesterday, no doubt re-emphasising the Governments intentions here, only time will see if more leniency transpires.

- A **late payment help line** has been set-up by HMRC 0800 0159 559.
- **Retail, Hospitality and Leisure** businesses will pay no business rates for the 20/21 year. There are also grants available up to £25k per property.
- **Nursery Businesses** will pay no business rates for the 20/21 year.
- **Small Business grant funding of up to £10K** applicable to all small businesses that currently qualify for business rate relief (rateable value up to £15k per annum) SBRP, RRR. This is administered through the local authority.

In all cases where businesses are eligible for grants the local authorities will contact them.

- Companies that cannot afford to pay their rent due to COVID 19 (for the period until 30 June, which may be extended) will be protected from eviction. The rent remains outstanding to the landlord and is payable to them in the future.

- **Coronavirus Job Retention Scheme / The Furlough Scheme**

**From our conversation with clients this is by far the scheme that has raised more questions than answers.**

Here is a summary of our understanding of this policy at this stage, this is an indication of how the scheme will work based upon information published so far, this may be subject to amendment as more information is issued with time.

Follow the links below and you will find the most comprehensive coverage, that we have found to-date, of details of the scheme and their interpretation of how the scheme will work. This is from the ICAEW and their Tax Faculty.

<https://www.icaew.com/insights/viewpoints-on-the-news/2020/mar-2020/coronavirus-job-retention-scheme-furlough-guidance>

<https://www.icaew.com/insights/coronavirus/tax>

**This is the guidance as at 26 March 2020**

I have also attached a word doc too.

**You will see from the guidance above that a lot depends upon your staff's employment contracts and employment law.**

**To be able to further assist our clients we have partnered with Alix Passey-Brown from Twyford HR so that we are able to extend our expertise to be able to offer our clients a fixed price package to review their employment contractual and legal position and one-to-one phone advice with an HR specialist.**

The fixed price is £250.00 plus vat. This covers employers with headcounts up to 30 staff, for more than 30 staff we are happy to provide a separate quote. We aim to complete the work within 24 hours of a request to do so. **Please email me or contact your Senior Accounts Manager if you would like to take advantage of this package.**