

Dear Client,

As you are aware, the past few days have been difficult and unprecedented – at BCAS Accountants we have been working behind the scenes in order that we can provide our clients with the best, most accurate and informative help and support.

Please read carefully the undernoted – we have kept this as brief as possible.

- The Government have setup a website – the link is noted below – it is critical that you read this and make notes of anything that applies to you:-

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

ALL THE FOLLOWING INFORMATION FROM THE FIRST BULLET POINT TO THE SELF-EMPLOYED BULLET POINT RELATES TO WHAT THE GOVERNMENT HAS ISSUED

- **Job Retention**
 - Do not pay off or sack staff, keep them on. Without staff retention you would have to make them redundant.
 - If you are on Director's Wages and Dividends, it will benefit you to take out Director's Wages up to the maximum of £2,500 per month in order to maximise the most you can claim. However, as your information has been submitted to HMRC via RTI each month, they may challenge any sudden increase.
 - All staff will need to be contacted, by email, of the changes and Contract of Employments, which will require to be amended to show the new pay structure. However, contracts can be amended up to 3 months after the event.
 - HMRC are setting up a new portal for this to be done – we will update you on this once it is known as we are not sure if this will have to dealt with by BCAS Payroll Solutions but will update us as soon as possible
 - 80% of staff wages, up to a maximum of £2,500 per employee (see RTI above), will be paid by the Government – at present we are being told 14-28 days for this to be processed, however, this may be subject to change
- **Loans**
 - the Coronavirus Business Interruption Loan Scheme has been introduced and should be taken advantage of where possible
 - you will be guaranteed 80% of each loan you apply for
 - You will have 12 months of interest free payments
 - this can help whilst you are waiting for other funding to come through
 - The full rules of the Business Interruption Loan Scheme and approved lenders can be found at <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/>

- Repayments on existing loans will be frozen during this crisis – the Government will announce when they will be due to be repaid
- **Time to Pay Tax**
- This includes all tax due and outstanding – all deferred taxes will not need to be repaid until the end of 2021
- Help for self-employed and businesses: HMRC has set up a dedicated coronavirus helpline for self-employed workers and business owners who are concerned about making tax payments. Call 0800 015 9559; 8am to 8pm Monday to Friday; 8am to 4pm Saturday.
- **Insurance to Cover Business Closures and Loss of Earnings**
 - You will have to contact your provider to see if you can claim this
- VAT for the period 20th March to 30th June 2020 will be deferred – you do not need to apply for this as it will be automatic – VAT returns will still have to be submitted.
- **Self-Assessment** payments on accounts due on 31st July 2020 will now not be due for payment until 31st January 2021 – you do not need to apply for this as it will be automatic
- Anyone with symptoms, have to self-isolate can apply for Statutory Sick Pay (SSP) – this can be claimed from day 1 and will provide an income of £94.50 per week – this can only be claimed for two weeks. (14 days of self isolation).
 - This rebate scheme will be offset against PAYE and National Insurance payments
- If you are self-employed, then you are able to claim this for as long as you require it.
- **No business rates for 2020/21**
 - Your local authority will provide you with a new rates invoice – I would not pay anything until this has been issued
- **Self Employed/ Sole Traders**
 - You can claim up to £94.50 per week, SSP, at the present time – we hope that this will change – we will confirm how this can be claimed once the Government have advised
 - You will not have any personal tax to pay at present
 - This is the link to establish if you are able to claim Statutory Sick Pay (SSP) of £94.50 per week <https://advicefinder.turn2us.org.uk/>
 - You may also be able to apply for Universal Credit <https://www.gov.uk/self-employment-and-universal-credit>
 - this will assist you with any household expenditure

- **Insolvency**

- If you require to close down/mothball for 2-3 months, then liquidating the company's operation is essential as this will allow your employees to access the redundancy payments service which means the company and the directors do not need to pay ongoing wages or employee redundancy claims and entitlements – this could be substantial for some companies.

As we have always said, we view our clients as family hence we will not leave you alone to deal with things during a very difficult and unpredictable period of time.

I will be instructing Jamie and Ryan to work from home. Therefore, the contact numbers are as follows:

Jamie (Payroll) 07904 215 801

Ryan (Sole traders and VAT) 07469 258 014

Brian (Limited companies and all general advice) 07952 913 738

Most of this may involve additional work for us and although we are hoping to keep any additional fees to a minimum, there may be some instances when we need to charge, for the time spent on your affairs.

Warm regards

Take care and be safe.

Brian, Jamie and Ryan

BCAS ACCOUNTANTS