

In these uncertain
times the global
community of
financial planning
is here to help you
and your business

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Financial planning
in uncertain times

#covid19financialplanning
#CFP



Financial guide for the self-employed and small businesses

Purpose of this guide

Running a small business is likely very stressful right now; even more stressful than ever before perhaps. All of the points in this business guide are very relevant for you as business owners and steps that our Certified Financial Planner™ professionals recommend. Please read our other employed guide for help with your personal budgeting. We know that you can do many things to help yourself at this time and this guide is here to help you.

1) Checklist for the self-employed and small business owners:

A. Check your disaster recovery plan

To minimise disruption, circulate list of phone numbers and contacts that are usually kept in small businesses by one key person.



B. Ensure your own and your team's safety

is the important first step. People make your business. They will help you recover when the economy returns to normal.



C. Check your business insurances

What insurances do you have that could pay out at a time like this?



D. Use the resources around you

Have a look at the websites set up to help businesses make decisions during this time.



E. Can you still be productive as a business?

Can you move more of your business online or deliver locally?
What is the guidance from the government?



F. If your business premises has been closed

Ensure that you have checked that the heating, lights, computers, equipment etc. have been turned off and are not still operating on a timer. Check the building occasionally as a failure to do so may invalidate your buildings insurance.



G. Take stock

Take this as an opportunity to review your business processes and procedures. Are there tasks consuming business resources that don't need to be done or can be completed another way?



H. Restrict your outgoings

Reclaim any flight costs, travel tickets, fruit and milk deliveries to the office and stop any other payments that you can. Ensure that you know to whom you owe money and when. If you cannot pay, ensure you contact them as soon as possible.



I. Claim any business benefits

offered by the Government such as business rates or Small Business Grants and learn about the criteria for any other benefits you might need to claim in the coming months such as furloughing staff (in the UK). Check if you are eligible for the £10,000 Government grant and, if so, apply now.



J. Speak to your landlord

If you cannot pay your rent ask for a moratorium until you know how badly the measures to restrict COVID-19 have had on your cashflow.



K. Communicate with your staff regularly

to ensure that they are kept in the picture and can plan accordingly. It is also advised, if possible, to try to make yourself visible on social media.



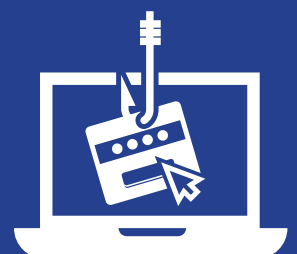
L. Don't forget about GDPR

A reminder for those who have sent staff to work from home that the business obligations haven't changed, but the mechanism to communicate has, so you need to ensure that everyone in the business is mindful of data security.



M. Be aware of scams

Many people are worried about their futures at the moment. When you are rushing to secure your own financial situation, you might be more susceptible to falling victim of a scam.



2) Plan ahead

This current situation is likely to continue for months to come. Plan what you will do and when as much as you can. Create a 6-month cashflow forecast. Be as objective as you can be. Cut out what non-essential expenses and renegotiate terms with suppliers. Remember VAT payments have been deferred.

N. Customer contact

Ensure you keep communicating with all your customers by planning out how you will do that.



O. Use social media positively

to ensure your customers know what is happening to your business. Are you open for business online? Are you closed with no ongoing customer contact?



P. Maintain your service

Offer only your core products and cut what you can without affecting your service standards. It is important to do what you say you will do in business.



Q. Do the most important things at the start of each day

Stay focused and ensure you complete the most important tasks each day to keep your business going.



R. Talk to your business bank

and ensure you are well aware of the ramifications of decisions you might need to take in the future.



S. If the business fails

Ensure that you take advice before closing your business to make sure that you know the knock-on effects of any potential closure of your business.



3) Now you've identified the savings you can make, what's next?

It is important to keep a close eye on your finances whilst we work through this global pandemic. Ignoring issues will only make matters significantly worse later on.

A. Revisit your budget regularly

and identify where you have been struggling. Tackle those areas with a calm attitude and seek professional help if needed.



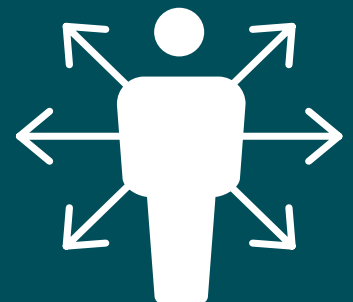
B. Be realistic

Cut down on luxuries but don't cut everything out unless your financial position really necessitates it.



C. Take small actions

to improve your financial situation. Is there any part-time work available? Are there things you can make from your own home that you can sell online? Can you do anything to help family, friends and local charities?



D. Try to stay positive

Do not constantly watch or listen to the news, restrict your news updates to once a day. Plan out what you are going to do each day and you will feel a sense of achievement by completing those tasks.



4) Keep focused on the future

Stick to your financial plan

If you have a financial plan, your Certified Financial Planner™ professional will have identified your liabilities and recommended a cash reserve for unforeseen events. Use the reserves now.



Pensions, investments and rebalancing

Do not look to sell equities at this time unless absolutely necessary. Your financial plan will have equities in your longer-term investment strategy and so you should not need to access them right now. This is a very emotional time and don't be tempted to overact to the negative news. If you are worried please speak to a professional financial planner.



Try to plan for the future

if you don't have one already. Review your situation and finances and think about what you want to achieve in the future and plan how to utilise your resources to make that happen. If you need help, seek a professional.



5) Sources of free help and Government support

Mind mental health charity:

www.mind.org.uk

<https://www.nhs.uk/conditions/stress-anxiety-depression/mental-health-helplines/>

Citizens Advice:

<https://www.citizensadvice.org.uk/>

Review utility bills:

https://lookaftermybills.com/?dm_t=0%2C0%2C0%2C0

https://flipper.community/?dm_t=0,0,0,0

https://switchd.co.uk/?dm_t=0,0,0,0

Your local authority website

www.moneyandpensionsservice.org.uk

Help for self-employed/Small business owners:

HMRC for self-employed helpline:

<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/coronavirus-covid-19-helpline>

<https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19>

In Scotland:

<https://www.mygov.scot/non-domestic-rates-relief/small-business-bonus-scheme/>

Your professional body who represents your line of work

www.control-costs.co.uk

<https://croner.co.uk/>

Your bank

<https://www.cityoflondon.police.uk/advice/advice-and-information/fa/fraud/personal-fraud/>



www.financialplanning.org.uk

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