

Coronavirus update 17th March 2020

Introduction

As you are aware the pandemic is affecting business and individuals across the globe. Wincham and our clients are facing challenging times as we deal with managing the effects of the virus on our families and our businesses. Wincham are putting a series of measures in place to ensure our commitment to you and the wider community is clear and we continue to support you in difficult times. We are taking the view that we should attempt to keep our services levels as high as possible to each client and be ready for the eventual return to normality or at least be responsive to the new rules of working. In the meantime, we are monitoring the Government responses very carefully and assessing the impact on ourselves and our clients. Travel is necessarily restricted so this in itself is having a challenging impact on the way we do business

The Wincham Response

We are also mindful of the different approaches between Spain and the UK about how the spread of the Virus is managed

Spanish Services

We will continue to operate in Spain, albeit on a reduced basis for our clients bearing in mind the restrictions imposed on movements to and from work and public gatherings and we will be using digital technology as much as possible to ensure continuity of service.

Your call may be diverted to the UK in times of peak demand and we would ask for your patience in this matter. Please be assured all emails will be responded to as soon as possible. We would encourage you to use our bespoke on-line CRM system as much as possible and upload any vital documents to our CRM system www.wincham.com.

We are still open for Foreign Exchange transactions and Wincham InterPay services to existing clients.

UK Services

At the moment we are open for business and our staff will be available for help as usual.

Wincham Consultants are still able to advise on property transactions and investment cases although in the short-term completions may be delayed because of Government instructions to local Notaries.

Wincham Accountants are also able to offer expert advice for businesses who may suffer from a result of reduced revenue and working capital.

For more information on government help visit these websites.

www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19

and www.winchamaccountants.co.uk. Also, we would recommend keeping abreast of current news media outlets such as BBC news or Reuters

What does this mean for Business?

That said the usual rules of financial stewardship apply, especially learnt from periods of austerity. Strict cost control, make as many costs as possible to be variable etc. The main issue is that a serious loss of revenue raises sustainability issues about how to weather the storm and for how long. Nobody knows so immediate and unpalatable measures about your main fixed costs require implementing and strict cash control is paramount.

Some points - last week's UK budget initiated a coronavirus business interruption support package via your bank and guaranteed by the government - get ahead of the queue ASAP with a firm and well thought through business plan including clear requirements for capital and the correct type of finance. There are also instalment arrangements with HMRC - act on them.

In addition, have open conversations with all your creditors who maybe experiencing similar problems and consider deferral of payments and re negotiating contractual supply agreements.

Finally, and most crucially talk to your workforce and have an honest conversation as to how you see the future. Painful though it may be, the employer should try and preserve jobs until the crisis has passed and communicate with staff asking them to share the pain. Measures such as layoffs, short time working or total work force percentage pay cuts may be in order but you cannot do this without cooperation and consultation

Fundamentally you should be examining the short and medium terms cash flows and whether you have sufficient cash to survive. WE are no doubt in recession, albeit a biological one.

Wincham Accountants remain open for business and committed to a high level of customer support in these troubled times and would be eager to assist.

If your business requires restructuring, we can also put you in touch with specialist Insolvency Practitioners

Remember a lot of politicians are using the language of being on a war footing and this is very much the attitude to take, however there will be a post war reconstruction and opportunity and businesses who adopt a positive response will remain ahead of their competitors.