



# *ICAEW Manufacturing Community Surviving the lockdown: Covid-19 funding support*

DAVID FRANKLIN, DIRECTOR, COMMUNITIES, ICAEW

JOHNATHAN DUDLEY, HEAD OF MANUFACTURING  
INDUSTRY, CROWE UK



# Surviving the lockdown

COVID-19 funding support

Johnathan Dudley

April 2020



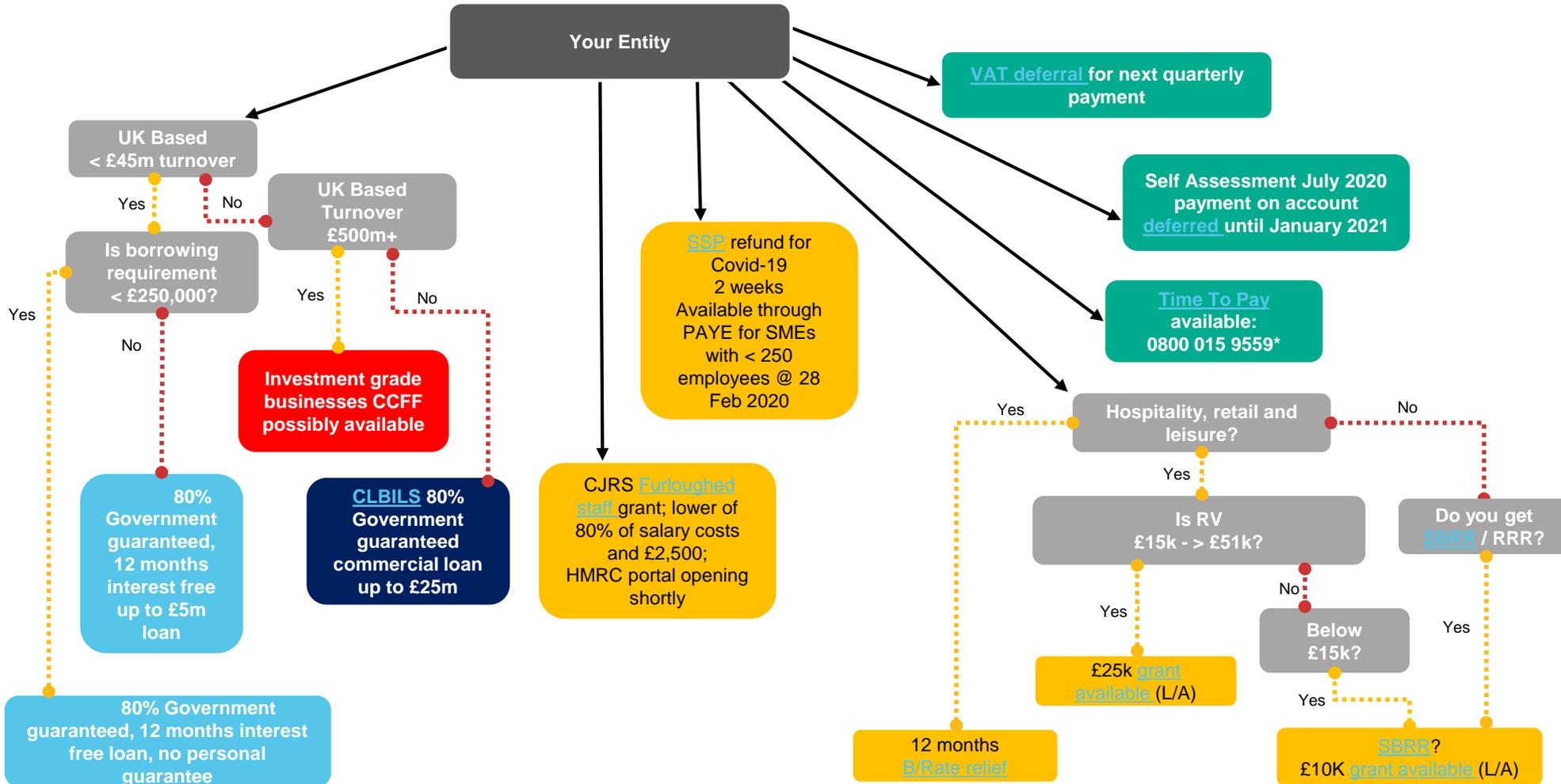
# Surviving the Lockdown

## Crowe Funding Flowcharts

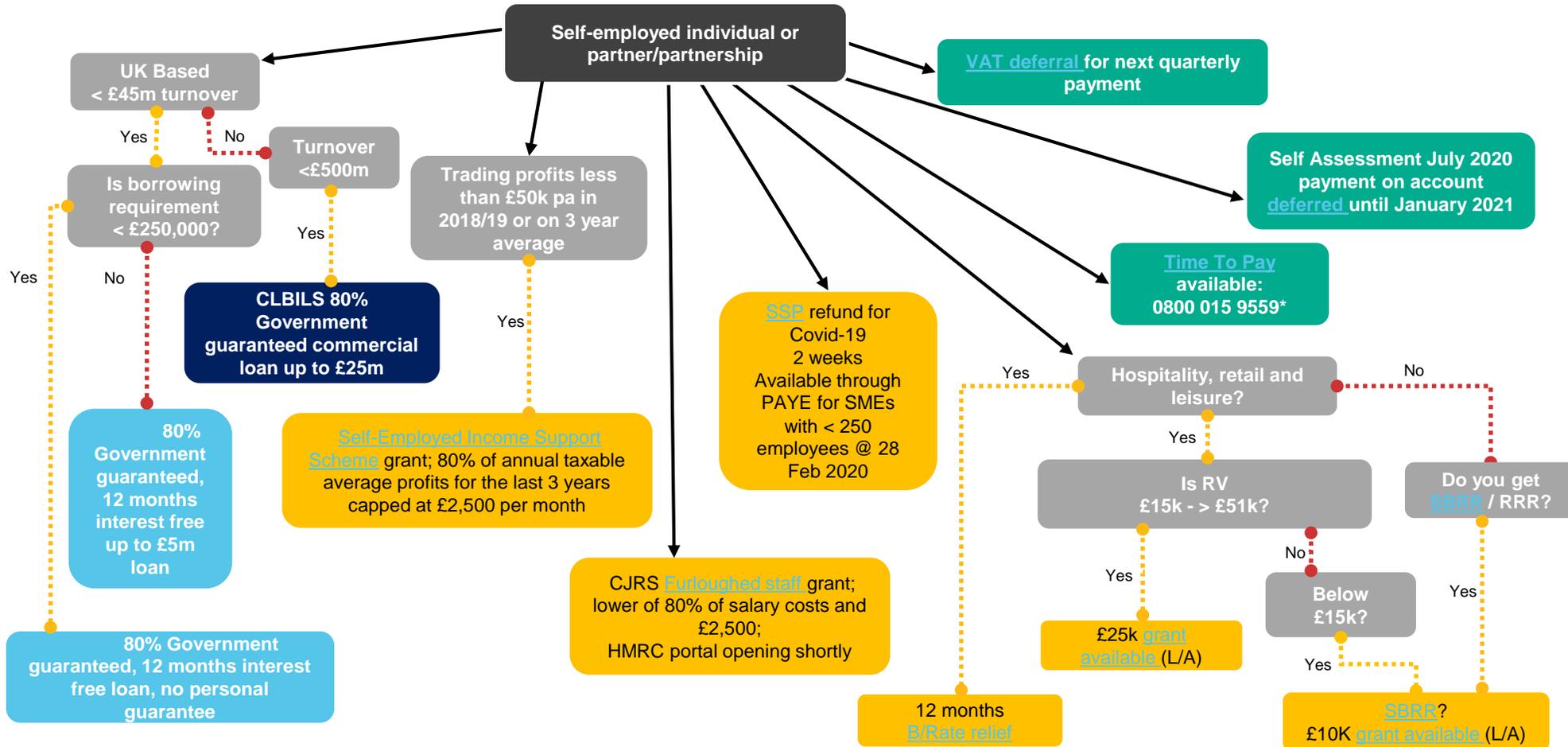
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- Lending
- Capital
- Grants
- Tax deferrals

# COVID-19 Funding Support Flowchart Version 4



# COVID-19 Self-Employed Funding Support Flowchart Version 2



# CBILS

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- Businesses up to £45m turnover
- All conventional lending, including Loans, Overdrafts and Receivables finance
- 80% government guarantee
- Government pay arrangement fees and interest for a year
- Some flexibility on capital repayment depending on lender
- Under £250,000 lend.. PG's 'banned'
- Above £250,000 PG's limited to 20%
- No requirement to use other bank funding first

# CLBILS

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- Businesses up to £500m turnover
- 80% Government guarantee
- 'Commercial interest rates'
- More information to follow; capital repayment holiday? Limit on PG's?

# CCFF

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- Companies with Standard and Poors AAA credit rating
- Loan stock taken in entity by Bank of England on behalf of HMGvt.

# Furlough

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- Covers 80% of salary costs of staff furloughed for at least 3 weeks
- Based on salary during February or average income of last 12 months
- From 1 March, initially for 3 months
- Employees on payroll at 28/2/20
- Workers have to STOP working
- Directors can be eligible
- Dividends don't count (obviously?)
- Claim through a portal
- Payment 'promised' by end of April
- Issue with Holiday entitlement

# Self Employed Income Support Scheme

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- Self employed equivalent to Furlough
- 80% of pro rated taxable profits, averaged over last 3 years
- Available to individuals completing a 2018/19 tax return only
- Capped at £2,500 per month
- Excludes anyone earning profits of more than £50,000 per year.

# SSP refund

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- Entities with less than 250 employees
- Two weeks initial SSP refunded through PAYE

# Property Grants

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- 12 months rates relief for Hospitality, Retail and Leisure Businesses(HRL)
- Other entities... depends on Local authority
- HRL.. Grant up to £25k
- SBRR/RRR?.. £10,000

# Tax Deferrals

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- VAT... payment in qtr to June
- Time to pay.. CT, PAYE, QIPS
- Deferral of July self assessment POA

# Financing Issues

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- April!
- Credit referencing agencies
- Uncertainty
- Speed of turnaround
- Wrongful trading... suspended but.....for how long?

# Tips

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- Stop all non essential payments immediately
- Call your local council
- Call you landlord
- Be ruthless on your credit control
- Have ALL your financials up to date
- Flexible forecasting model and 13 week cash flow
- Talk to Asset Financiers about refinancing/holiday

# Other things to consider

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- Customer re-start dates
- Supplier re-start dates
- Trade Unions?
- Social distancing in the factory AND breakout areas
- PPE?
- Holiday entitlements
- Cyber

# Get in touch

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Johnathan Dudley  
Partner and Head of Manufacturing  
Johnathan.Dudley@crowe.co.uk  
T: +44 (0)121 543 1900



[linkedin.com/johnathandudley](https://www.linkedin.com/company/crowe)



[@JohnathDudley](https://twitter.com/JohnathDudley)



App store: We are Crowe



*Q & A*



# *Coronavirus (COVID-19) hub*

ICAEW IS COLLATING RESOURCES TO OFFER SUPPORT AND INFORMATION TO MEMBERS AS CONDITIONS UNFOLD.

VISIT THE HUB: [ICAEW.COM/INSIGHTS/CORONAVIRUS](https://www.icaew.com/insights/coronavirus)

