

EDITION 7

Following the outbreak of COVID-19 in the UK we want to keep clients up to date with measures available to assist them during this time. This is a general update on matters as they arise or change, and we would recommend that anyone who has any specific queries get in touch with us. We will also provide further regular updates and communication through the coming weeks.

Statutory Sick Pay Rebate Scheme

This scheme will allow small and medium sized employers, with fewer than 250 employees, to apply to HMRC to recover the costs of paying Statutory Sick Pay (SSP) to their employees. HMRC has published new online guidance which includes information about who can use the scheme, and the records employers must keep.

To qualify the payroll scheme must have been in place at 28 February 2020, have had less than 250 employees at that date and the employee must be one who is eligible for SSP due to COVID-19 at 28 February 2020 onwards.

You must keep records of all the statutory sick payments that you want to claim from HMRC, including:

- the reason why an employee could not work;
- details of each period when an employee could not work, including start and end dates;
- details of the SSP qualifying days when an employee could not work;
- National Insurance numbers of all employees who you have paid SSP to.

You are required to keep these records for at least 3 years following your claim.

HMRC is working urgently to set up a system for reimbursement as the existing systems are not set up to facilitate payments to employers. Details about when the new SSP Rebate Scheme can be accessed and when employers can make a claim will be announced by HMRC as soon as possible.

Coronavirus Business Interruption Loan Scheme (CBILS) Amended

The government has been forced to amend CBILS for firms affected by the pandemic, following claims banks were forcing companies to provide personal guarantees. Official figures from UK Finance show while there have been over 130,000 enquiries from businesses across the country for business interruption loans, just 983 businesses have had finance approved with £90m paid out.

Chancellor Rishi Sunak announced the CBILS programme is being extended so that all viable small businesses affected by Covid-19, and not just those unable to secure regular commercial financing, will now be eligible should they need finance to keep operating during this difficult time.

The government is also stopping lenders from requesting personal guarantees for loans under £250,000 and making operational changes to speed up lending approvals. The government will continue to cover the first twelve months of interest and fees.

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Chartered Accountants and Registered Auditors

James Todd & Co is the trading name of James Todd & Co Limited, Registered Office:
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Registered No. 07350649 in England. Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. A member of the ICAEW Practice Assurance Scheme.

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For loans over £250,000, personal guarantees will be limited to just 20% of any amount outstanding on the CBILS lending after any other recoveries from business assets. Lenders were already prohibited from asking business owners to put their house on the line, but the changes are design to allay concerns regarding personal assets.

The new rule will apply to finance already offered under the scheme, to ensure that all business owners receive the same level of government protection.

In addition, there is a new Coronavirus Large Business Interruption Loan Scheme (CLBILS) which will provide a government guarantee of 80% to enable banks to make loans of up to £25m to firms with an annual turnover of between £45m and £500m. Loans backed by a guarantee under CLBILS will be offered at commercial rates of interest and further details of the scheme will be announced later this month.

Guidance on Coronavirus Job Retention Scheme

HMRC have created guidance to the Coronavirus Job Retention Scheme to show who is eligible and how much can be claimed and they are continuing to update this.

<https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

Business Rates Relief

The Government has introduced a 12 month business rates holiday for all retail, hospitality, leisure and nursery businesses in England and it is worth considering whether your business applies to these categories. An example of this is the Independent Garages Association (IGA) who have urged members to write to their local authorities stressing that they provide an essential retail service to the general public and therefore should benefit from this relief.

R&D Allowances

Whilst the initial reaction might be that this is very far from client's minds right now, if your business has incurred any costs associated with Research and Development then you could be entitled to a reduction in your Corporation Tax liabilities, with the possibility of going back to previous years and claiming a tax refund to help during this difficult time. If you think this might be an option for you then please contact us for further guidance on the matter.

Premium Credit

For those of you who owe past or recent fees to us we understand that payment in full may now become difficult. It would really help us to continue to operate if you would consider spreading the payment through our instalment facility. This will help you to spread the cost and help us to maintain sufficient cash-flow to keep as many staff operational as possible.



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Through Premium Credit we are able to help our clients fund payment of our fees over period ranging from 6 to 12 months for a comparatively small finance charge. If this is something you would like to explore or setup then please feel free to contact us. The rates are as follows:

6 Months: 3.25% transaction fee plus £5 admin charge
10 Months: 5.25% transaction fee plus £5 admin charge
12 Months: 6.25% transaction fee plus £5 admin charge

To initiate this please contact victoria@jamestoddandco.co.uk and she will be happy to help to sort this out.

Fee Protection Cover – Additional Services

It is worth reminding those clients who have taken up our Fee Protection Cover that this also comes with a range of additional advice services, such as employment and commercial law, and health and safety, which can be accessed via telephone and email using the details in your renewal documents. If you need any help with these please feel free to contact us using victoria@jamestoddandco.co.uk.

Continuity of Service at James Todd & Co

The James Todd & Co internal platform is cloud hosted and all members of our team have the ability to work away from the office. We have therefore made the decision to temporarily close the offices to all clients and non-essential staff until further notice. Bookkeeping and accounting records can still be delivered to our Lavant office but we would ask that this be prior appointment only, so that no journey is wasted. We will let you know as soon as our offices are open, but we will be continuing to work in our full capacity and ensure that all deadlines are met.

Email communication should remain fully operational and we will be diverting our telephone systems so that incoming calls can be dealt with.

We are dealing with an unprecedented level of queries at the moment and we appreciate your understanding at this time. We would recommend emailing queries where at all possible, particularly in relation to bookkeeping and payroll, as it will enable to answer all queries more efficiently.



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