

Financial & Leadership Supports Webinar

Cashflow Management & Financing options

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Managing Cashflow - Debtor (Customer) side

Talk to all customers who owe you money and make arrangements for payments for current and future supplies / services

- Cash on Delivery
- Shorter credit terms e.g. 7 days
- Payment in advance
- Arrange a payment schedule / payment break if necessary
- Vouchers

Increase online / click 'n collect sales and home office / household deliveries

- Can you deliver your products to companies that are still open or Government departments e.g. HSE
- WFH brigade need office / school supplies as several office suppliers are closed
- Online shopping is booming across the home consumer sector

Research new customers / new products or services

- Are there customers you haven't previously sold to who are still in business and have a need for your products / services
- Can you adapt your product or service to be more suitable for the current climate / look at alternative uses
- Are your products suitable for the home consumer

Managing Cashflow - Creditor (Supplier) side

Suppliers

- Delay discretionary spending
- Contact your suppliers if you do not have the liquidity to pay them in full
- Negotiate
 - Credit
 - Payment break
 - Payment deferral
 - Payment plan

Stop all automatic direct debits / standing orders

- Contact your bank and stop all automatic direct debits / standing orders if suffering from an immediate liquidity problem
- Contact all recipients ASAP to negotiate payment breaks / a payment schedule

Negotiate with creditors

- Landlords
- Local council rates*
- Utility providers
- Insurance companies**

Cashflow and Revenue

Use online services - only line open
is the National Employer Helpline
(01) 7383699

Continue to file returns

All debt enforcement activity is
suspended until further notice

Interest on Late Payments for VAT
suspended for March / April

Interest on Late Payments for PAYE
(Employers) liabilities suspended
for April

Employee Assistance

COVID-19 Income Support Scheme

- Keeps employees on the payroll
- Government pays 70 per cent of a workers' salary - up to max.€410 per week - where the company agrees to continue paying the remainder of the salary if possible
- Based on average salary €38,000
- Employer must prove a decrease in income of 25 per cent and that they have liquidity difficulties

COVID-19 Pandemic Unemployment Payment

- Available to all employees and the self-employed who have lost their employment due to a downturn in economic activity caused by Covid-19
- Now €350 per week as of 27/03/20

Funding Requirements and Bank Schemes

1 - 3 year Cash-flow Analysis

- Once you have completed the cash-flow exercises:
- Draw up a 3-year cash-flow analysis
 - Monthly for the 1st year
 - Annually for years 2 and 3
- Establish exactly how much funding you need:
 - Short term immediate liquidity
 - Long-term business sustainability

Review bank facilities available

- Overdrafts - consider converting to short / medium term loan
- Bank loans

Wide range of credit, cashflow and Supply Chain Supports

- Deferrals of up to 3 months on business mortgage and loan repayments from all lending banks
- Will NOT affect your business credit rating
- When payment break expires monthly repayments increased to ensure the loan will be repaid within its original term or term extended
- Extensions of Credit Lines, Risk Guarantees, Trade Finance

Credit Guarantee Scheme

- Available through AIB, Bank of Ireland, Ulster Bank
- 7-year loans up to €1m - 80% Government Guaranteed

LEOs / EI Supports

LEOs

- €2,500 Vouchers for Business Continuity preparedness, innovation and productivity
- All usual grants still available
- TAME grant can be used to facilitate online exports and other export related issues
- Online mentoring widely available

EI

- €200m Package for Enterprise Supports including a Rescue and Restructuring / Liquidity Scheme
- Finance in Focus grant of €7,200 available to EI and ÚNG clients to support financial planning
- Strategic Consultancy Grant to assist the company development of a strategic response plan
- Business Process Improvement Grant e.g. E-Marketing Improvement
- Act On Initiative - providing access to 2 days consultancy engagement

Useful Links

- ▶ ***Commercial Rates Suspension:** <https://www.housing.gov.ie/local-government/covid-19-coronavirus/support-businesses-impacted-covid-19-through-commercial-rates>
- ▶ **Government:** <https://dbei.gov.ie/en/What-We-Do/Supports-for-SMEs/COVID-19-supports/Government-supports-to-COVID-19-impacted-businesses.html>
- ▶ **COVID-19 information and advice for taxpayers and agents:**
<https://www.revenue.ie/en/corporate/communications/covid19/index.aspx> also
<https://www.revenue.ie/en/corporate/press-office/press-releases/2020/pr-020420-revenue-update-advice-to-smes-experiencing-cashflow-difficulties-arising-from-covid-19.aspx>
- ▶ **Revenue - COVID-19 Temporary Wage Subsidy Scheme - Operation of the COVID-19 Temporary Wage Subsidy Scheme and Employer Eligibility and Supporting Proofs:**
<https://www.revenue.ie/en/news/articles/guidance-on-the-temporary-covid-19-wage-subsidy-scheme.aspx>
- ▶ **BPFI FAQs for Business Customers:** <https://www.bpfi.ie/key-topics/business-customers-covid-19-support-faqs/>
- ▶ **AIB:** <https://aib.ie/covid19/business>
- ▶ **Bank of Ireland:** <https://businessbanking.bankofireland.com/covid-19/repayment-break-option/>
- ▶ **Ulster Bank:** <https://digital.ulsterbank.ie/business/support/coronavirus.html#support>
- ▶ **EI:** <https://www.enterprise-ireland.com/en/about-us/services/covid-19/>
- ▶ **LEOs:** <https://www.localenterprise.ie/discover-business-supports/covid-19/covid%E2%80%9319-business-supports.html>
- ▶ **LEO Business Continuity Vouchers:** <https://www.localenterprise.ie/Portal/response/Business-Continuity-Voucher/Business-Continuity-Voucher.html>



Thank you

Your Questions?

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