

# WHAT WILL YOUR BUSINESS LOOK LIKE POST COVID?



**Benefit from a business review to  
understand the best way forward  
for you and your business**

Within just a few months, the business world (and the world in general) has changed because of the Covid-19 global pandemic.

- What impact has this had on your business and its future?
- Do you need to rethink your strategy to start to move into the 'new normal'?

Now is a good time to stop and re-evaluate what your next moves should be by having a complete Covid Business Review.

The impact of the pandemic is different for each business. At one end of the spectrum there are businesses that are experiencing positive effects and are having to upscale and adapt their operation to maximise the opportunities that this is presenting.

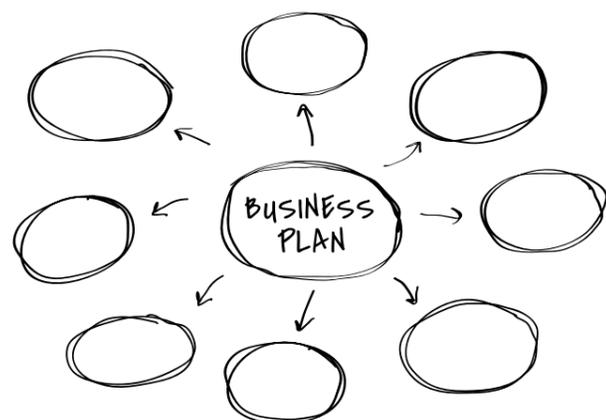
At the other end, there are those businesses that have experienced major (sometimes total) disruption and significant financial damage. They may be benefiting from the various government support schemes now, but what will happen when these are eventually withdrawn?

What we do know is that no business will come out of the current situation the same as it was at the start of 2020.

As a result, now is a good time to review your business – giving you an understanding of where your business is currently and where you should be focusing your energies moving forwards.

## WHERE IS YOUR BUSINESS ON THE SCALE?

Understanding where your business is at the moment is the first step - then you can work out which review would be more beneficial for your business - either it's our Restart or Refocus Review.



With our Covid Business Review, our team of experts will look at your individual business situation and help develop an action plan for you.

## BENEFITS OF HAVING A COVID BUSINESS REVIEW

### IF YOU'RE LOOKING TO MAXIMISE THE OPPORTUNITIES, YOU MAY NEED TO HAVE A REFOCUS REVIEW

- **Understanding the changes to the market** – this will be fundamentally different in the next three - six months and we will work with you so that you are on the front foot
- **Being agile to challenges ahead** – we can work with you to understand your current position and what changes need to be made to benefit the business during this time
- **Capitalising on opportunities** – allowing you to achieve better financial security and ultimately develop a more sustainable business
- **Optimise the business to deliver greater returns on investment** - by making working capital gains, a focus on cost base and incentivising staff to deliver on your strategy

### IF YOU'RE WORRIED ABOUT THE FUTURE OF YOUR BUSINESS, YOU MAY NEED TO HAVE A RESTART REVIEW

- **Expert advice from a friendly face** – we want you and your business to succeed and will work with you to give you the best options for the future
- **Impartial help and support** – we will provide an expert and objective analysis of your current situation and possibilities for the future
- **Understanding and addressing the reality of the situation** – we know it's a really hard time but the earlier you look for help and advice, the better the chance of securing a healthier future for your business
- **It doesn't have to mean insolvency** – there are often other options available to manage financial pressures and sometimes an insolvency practitioner can provide a fresh perspective and avoid failure by helping to negotiate a better alternative

## WHY CHOOSE PKF FRANCIS CLARK?

- **Your ambition becomes our ambition** – tell us what you want to achieve and we will give you the advice to get there if it's a feasible option
- **Benefit from our wealth of experience** – there may be options you haven't considered or are aware of which would be more beneficial to your business
- **All the expertise you need** – we have experts across all sectors and specialisms meaning we can pool these resources to help your individual circumstances

## A COVID REFOCUS REVIEW

Aimed at businesses that

- Covid has had a **medium to high impact** on the business but these are **considered to be temporary**. However, the effects will be felt within the business for an extended period
- Covid may have had some temporary impact on the business, but overall it **remains robust and will recover well**. Covid may have had a positive short and/or long term impact

Businesses are now looking to how they will move forward into the 'new normal' after Covid-19. Things have changed dramatically (some permanently) and many for a significant amount of time. So how do you navigate the optimal way through and beyond?

If returning to how you operated six months ago is your strategy, this is likely to be a missed opportunity to position the business to generate long term growth and value.



We will work with you to help you understand how the market place, in which you operate, has changed since the pandemic; making you resilient for the future.

To adapt and grow, business owners and management teams need to really challenge their assumptions and consider how to position their business for growth. You will want to:

- Review the market conditions and strategic acquisitions or disposals
- Review business/owner objectives including funding, structure and tax considerations

### SO HOW CAN WE HELP?

We want your business to be agile to the challenges ahead as well as being able to maximise the opportunities that this situation may have presented; ultimately, ensuring the longer term success and stability of the business moving forward.

We want to help you establish strategies to adapt and grow in a disrupted market, as well as capitalise on market opportunities.

The vital first step is to understand where your business is right now - what assets and skills are available and what additions are required to capitalise on market opportunities.

## OUR COVID REFOCUS REVIEW OFFERS YOU

|   |   |
|---|---|
| <b>Review existing assets</b> - to include physical assets, skill sets, IP, know-how, staff, customer/supplier contacts etc   | ✓ |
| <b>Consider the previous marketplace and new opportunities</b> - establish how the existing assets can be applied to make products and services that will be in demand in the future  | ✓ |
| <b>Identify any gaps in the assets</b> - establish what is required and plan how to obtain them   | ✓ |
| <b>Bring new products or services to market</b> – consider the most cost effective way of achieving this, including the assessment of cost/benefit of any changes required and consider the implications of alternative options | ✓ |
| <b>Recommendations and actions</b> – an action plan with suitable KPIs to monitor ongoing performance   | ✓ |

It is important that the updated strategy is both documented and monitored to provide clarity and focus to optimise outcomes.

In addition, options need to be properly modelled so that resources can be focused in the right areas to provide the best returns.

As well as positioning for growth and investing in the right areas, we will review your business in detail to look at other areas where you can maximise your returns such as data analytics, cash management, cost base reviews and the efficient use of technology.

Another important consideration is looking at the tax implications of the strategy:

- Re-financing debt/equity need careful consideration of potential tax charges
- Sale of assets can lead to capital gains
- Company restructuring to be done is a way that is efficient for future trading and minimises any tax exposure

### WANT TO FIND OUT MORE?

If you would like to speak to one of our experts and find out more about our Covid Refocus Review, please get in touch:

[paul.stout@pkf-francisclark.co.uk](mailto:paul.stout@pkf-francisclark.co.uk)

[www.pkf-francisclark.co.uk/refocus-post-covid/](http://www.pkf-francisclark.co.uk/refocus-post-covid/)

## A COVID RESTART REVIEW

Aimed at businesses that have been **highly and adversely impacted** by the Covid crisis. They need to establish if the business (or parts of it) can be made sustainable and to **look at all options for the future**.

Many businesses have been highly impacted by the Covid-19 crisis and will have taken advantage of the government support schemes, such as the Coronavirus Job Retention Scheme (CJRS) and government guaranteed loans.

However, these schemes will be withdrawn as the crisis eases. At this point, not only will HMRC and other creditor deferment be reversed but any borrowings, such as the Coronavirus Business Interruption Loan Scheme (CBILS) or Bounce Back loans, will eventually need to be repaid.

We understand that this is a very challenging time. The transition to the post Covid world is likely to be difficult and knowing the right direction and strategy is imperative. You will need to:

- Find the working capital to fund the restarting/growth of the business
- Deal with creditor overhang from the crisis period

These two are linked – it is essential both for your business and the wider economy that growth is not strangled by the overhang of Covid era problems. Proper analysis and planning can maximise the benefits for all stakeholders.

### SO HOW CAN WE HELP?

We want your business to succeed and will work with you to try and achieve that, using our knowledge and experience to make sure that you get the best possible advice. Our experts have a wealth of experience in a wide range of sectors that include hospitality, manufacturing, food, agriculture and charities to name a few. We will take the time to really understand your business and the areas you work in.

If you're concerned about your business and its future, the earlier you seek advice the more options there are likely to be.



## OUR COVID RESTART REVIEW OFFERS YOU

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|---|---|
| <b>Assessment of the current financial situation</b>  | ✓ |
| <b>A business plan as the restrictions ease</b> – we can either prepare a plan or reviewing yours   | ✓ |
| <b>A financial projection</b> - with sensitivities and a focus on cash needs  | ✓ |
| <b>Setting out the options for your business</b> – from fundraising (both loan and equity), restructuring options, the tax effects of reorganisations, to the consideration of directors' duties and responsibilities, creditor negotiations and where necessary, insolvency processes and appointments | ✓ |
| <b>Recommendations and actions</b> – preparation and monitoring against an agreed plan based on the conclusions of the review   | ✓ |

It is likely that the issues you are facing will need both creative and commercial use of business planning and creditor management skills, including (where appropriate) the use of a formal insolvency process to keep the business going and maintain as much employment as possible.

### THAT DREADED 'I' WORD

We know that as a business owner, the word insolvency is not one that anyone wants to hear. However, the involvement of an insolvency practitioner can actually reduce the chance of a failure of a business.

Whilst insolvency processes are a last resort, an understanding of insolvency outcomes is an essential reference point in seeking to negotiate with existing creditors that include banks, landlords and asset financiers. If the offer being made to them is better than the formal insolvency outcome they are more likely to accept it – especially if other creditors are accepting similar deals.

### WANT TO FIND OUT MORE?

If you would like to speak to one of our experts and find out more about our Covid Restart Review, please get in touch:

[business.recovery@pkf-francisclark.co.uk](mailto:business.recovery@pkf-francisclark.co.uk)

[www.pkf-francisclark.co.uk/restart-post-covid/](http://www.pkf-francisclark.co.uk/restart-post-covid/)

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Chartered accountants & business advisers

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