

Dear Clients & Contacts,

We hope you are all keeping safe and well and this is our next E-zine to try and update you of some various items which may be relevant to you and your decision making going forward.

As regards supporting our local economy if you would like to participate in a short survey on survey monkey we are gathering data so we can help make some representations to Government on some suggested supports that could help in terms of recovery and getting the town back open for business when it is safe to do so and some forward planning as part of our *Doing Business in Kinsale* initiative. Survey Link :

<https://www.surveymonkey.com/r/Y3FNNWP> or just scan the QAR code on your phone.

We understand it is a very difficult time for everyone with a lot of uncertainty out there which seems to be the big challenge for people. My team and I are continuing to work remotely in terms of servicing our clients to the best of our ability. Some of our clients are accessing working capital supports via SBCI and applying for LEO vouchers and we are helping them in this process to see what supports they can avail of. The wage subsidy scheme has been updated with some details below which a lot of our clients have availed of.

We are doing a lot of work in terms of Covid-19 advisory on our resource page and do understand that this is stressful and has taken its toll on everyone. We are getting a lot of daily queries, in particular around payroll which has become increasingly difficult for people to try and keep up to date with the changes.

As we are in general practice, we do notice that grants and wage subsidy schemes may be better for SMEs than debt in the medium term and we are doing a lot of work in the advisory piece. Our clients, I guess, were thrown as we were in to a new situation and people have learnt to now accept this. It is temporary and now SMEs are starting to plan their cash flows of how they are going to bounce back.

I guess some of our clients have said to us that they have never had a timeout from their business where the business was shut so now is a great time to maybe do a deep dive and review of the business. Could you offer a different product, a different service to try and bounce back and some of our clients ended up in business accidentally which became a success. So it is maybe a time for working out and planning now how they are going to come back in a different model.

Our resource page on our website is being updated on a regular basis of various links and supports that may be of assistance to you. It perhaps could be a good time to make some radical changes to your business and look at a reinvention of sorts while cutting any unnecessary costs. The

business landscape will be hugely different and entrepreneurs are looking to see the opportunities and keep going. We have upgraded our technology to work digitally and using the latest software and cloud based solutions to help us to be more efficient in our processes.

It is important to keep communicating with your teams and customers and with some resilience we will all emerge from this. Some businesses might be best left in hibernation for the moment until a clear strategy is found to move forward and every business is different. We are working with hundreds of SMEs, business leaders and CEO's each week chatting and brainstorming to navigate the new business environment. Lots of great examples of human kindness happening in our communities and people appreciating the simple things in life. Some are using the time to reinvent, some to unwind, some just trying to get through it..

From chatting to our clients, liquidity and simple survival is the immediate concern of many, maybe most SME clients. They are inundated with Government announcements regarding the access to finance, tax relief assistance with paying wages and salaries etc. all most welcome. SMEs are struggling to make sense of it all and must act swiftly and smartly. We are advising our clients on how to stay afloat and take optimal advantage of what's on offer. We are helping our clients with cash flow and financing options, re-forecasting of budgets, technology assistance to support their remote work and other forms of support beyond compliance.

Given that we are working with multiple SME clients, we are well paced to advise SMEs how to make the green and digital transition. It seems like all our SME clients are in a transition to a new digital norm. **We are in this together and we are better together.** We have learnt that during and after this crisis, we as CPA's need to be technologically smart, ADEPT communicators and as we are already trusted business advisors and partners of SMEs.

We are all in an unprecedented position to create a new normal. I guess we now see the importance of remaining calm, objective and open minded in helping to try and find the new opportunities. While most people are now working from home, we are adopting new ways of working including tools like Zoom, Skype and Google hangouts. There is a rapid acceleration of moving everything to the Cloud. As with all change it creates opportunity.

Everybody is doing the best they can during these difficult times. Most of us have never seen something of this magnitude in our lifetimes. It is global and far reaching, impacting every single aspect of business in society. No one is off limits. **It will take a global Village to recover.** We are each part of something greater than ourselves and more than ever, we need to focus on being human and emphasise compassion over commercialism.

We are working with businesses to plan for what's next, what trends are now shaping the new normal. More business going on-line with E-Commerce,

new consumer buying habits. Will social distancing and limitation and gatherings continue after this crisis ? This will cause an increased need for new business strategies at an accelerated pace. It is all new to us too so we are learning daily...

Updated information on Temporary Wage Subsidy Scheme :

16 April 2020

Previously we advised that updated guidance would be available on or before 21 April 2020. However, this has now been delayed until further notice, which we understand is 4 May at the earliest. In addition, there are new rules which state that new subsidy rates will apply to payrolls submitted on or after 4 May with a pay date on or after that date.

Under the rules for the transitional period (from 26 March 2020 to 4 May), a subsidy of up to €410 was available for each employee where their average net weekly pay did not exceed €586 and of up to €350 for each employee where their average net weekly pay was between €586 and €960.

The new rules provide as follows:

Employees previously earning up to €586 net per week

- An 85% subsidy shall be payable in the case of employees whose previous average net weekly pay does not exceed €412;
- A flat rate subsidy of up to €350 shall be payable in the case of employees whose previous average net weekly pay is more than €412 but not more than €500;
- A 70% subsidy shall be payable in the case of employees whose previous average net weekly pay is more than €500 but not more than €586, with the maximum cap of €410 applying.

Employees previously earning in excess of €586 net per week but less than €960 net per week

- For employees whose previous average net weekly pay is greater than €586 per week but not more than €960 per week, the temporary wage subsidy shall not exceed €350 per week, and shall be calculated by reference to the amount of any additional payments made by the employer and its effect on the average net weekly pay as follows:
- A subsidy of €350 shall be payable to employees with previous average net weekly pay greater than €586 but not more than €960 per week, where the employer pays sufficient gross salary which equates to an amount up to 60% of the employee's previous net weekly pay;

- A subsidy of €205 shall be payable to employees with previous average net weekly pay greater than €586 but not more than €960 per week, where the employer pays sufficient gross salary which equates to an amount that is more than 60% but not more than 80% of the employee's previous net weekly pay;
- No subsidy shall be payable to employees with previous average net weekly pay greater than €586 but not more than €960 per week, where the employer pays sufficient gross salary which equates to an amount that is more than 80% of the employee's previous net weekly pay.

We understand that if PRSI Class J9 is used for an employee in April that the employer will receive €410 per employee. However, if the conditions noted above are not satisfied, then the amounts paid will be recouped by Revenue when the scheme is fully operational.

From 16 April 2020, the wage subsidy will also be available for employees where their pre-Covid salary was greater than €76,000, if due to a salary cut their post-Covid salary has fallen below €76,000.

Stay safe and have a nice weekend ! As always our team are here to help as needed.