

D.I.Y. Checklist during COVID-19

1. Understand your current financial position

It's essential to make informed decisions about your business based on your current financial position. Pending restrictions imposed by government, your ability to trade through this period, pay outstanding debts, keep employees or meet existing leasing or loan repayments will be determined by your financial position. Contact your accountant to discuss the various options which may be available and make a plan as to what you need to do to minimise the impact on your business. Cash flow is critical, especially if your existing income and trade has been significantly disrupted by COVID-19.

2. Check your eligibility for government assistance

The Australian Government has announced several stimulus packages to help business owners manage the disruptions to their business. For sole traders, this includes access to the job seeker allowance, which now includes a coronavirus supplement payment and an increase in the income test for partners to \$79,762 to provide greater access to support.

The Western Australian Government has also announced a relief package which may assist businesses that employ staff.

3. Contact your bank

A new loan deferral arrangement for small business owners is now in place. Contact your bank or financial lender to discuss this arrangement. We also recommend talking to your bank's hardship team if you would like to discuss the options available if you need relief from any personal mortgages or loans. Visit the Australian Banking Association website for a list of hardship contacts for each bank.

4. Communicate with your stakeholders

It's important to communicate to all your stakeholders about what is happening with your business during the COVID-19 pandemic.

If you have staff, they need to understand what your plans and the likely impact on them. Be as calm and clear in what you are telling them as possible.

Follow up all your debtors to try and get any overdue payments in. You may need to consider negotiating, based on what they are able to pay in the current circumstances. Also communicate with your creditors to see what payments you may be able to defer. Review your trading terms to ensure that you obtain upfront payments (where possible) or a deposit for any new orders.

Keep your customers updated about your services, for example if your business is affected by restrictions, ensure you communicate as early as possible what this means for them.

5. Seek advice on deferring tax payments

The Australian Taxation Office (ATO) can grant you a deferral of certain tax obligations if your business is impacted by COVID-19. Call the ATO on 1800 806 218 or speak to your tax professional to discuss your options. Deferring payments may impact on your eligibility for other stimulus package options, so seek professional advice.

6. See if your business can still operate

As the government has announced expanded restrictions to business activity and travel, check our list of the latest restrictions to see if your business can keep operating or if there are any changes you need to make to fit in with these mandatory requirements.

7. Understand your options in relation to employees.

Familiarise yourself with your obligations as an employer. Information is available through Fair Work (for businesses under the national industrial relations system) or WA Labour Relations (for sole traders and partnerships). This information also covers issues such as when you might be able to stand down employees, redundancy information and changing work hours.

On 30 March, a \$1500 per fortnight JobKeeper Payment was announced by the Federal Government to support employers in keeping their employees.

8. Check your licensing requirements

If you are running your business from home or have changed the way your business operates, you may need approval from your local government authority to carry out certain types of business operations. However, you may not need approvals for certain changes.

For example:

- If your restaurant is now offering takeaway instead of dine in food, using your commercial kitchen to prepare the food, no other approvals are necessary.
- If your hairdressing salon is now offering mobile services to your customers' homes, you do not require an additional approval. However, check with your insurance broker that you are covered in this situation.
- If you are now running your business remotely from home, you do not need any approvals if your operations meet the definition of a home office under the Planning and Development (Local Planning Schemes) Regulations 2015, including that no clients or customers visit you at home, no staff work there with you and you don't display business signage.

It's advisable to check with your local government authority for specific advice on any change of use.

9. Commercial leasing – talk to your landlord or call us for help

We encourage you to call your landlord to discuss what arrangements can be put in place regarding your lease, particularly if your business can no longer operate.

On 29 March, the Australian Government announced a moratorium on evictions over the next six months for commercial and residential tenancies in financial distress who are unable to meet their commitments due to the impact of coronavirus. Commercial tenants, landlords and financial

institutions are encouraged to sit down together to find a way through this period to ensure that businesses can survive and be there on the other side.

If you would like guidance, call us on 133 140 to speak to a commercial tenancy adviser (8:30am to 4:30pm on weekdays).

Please note: The State Government is currently working on a number of measures to provide assistance to small business landlord and tenants. We will provide further information on these measures once details are announced.

10. Consider whether you can draw on your superannuation

If you are a sole trader whose hours of work or income has fallen by 20 per cent or more as a result of the pandemic, the Federal Government is allowing you to access your superannuation. This is capped at \$10,000 this financial year and a further \$10,000 next financial year. The withdrawals will be tax free.

Please contact your financial adviser or super fund on guidance on this.

11. Build your networks

This is an important time to reach out to your networks for support and advice. Being able to keep some control over your situation is good for your positive mental health. Keep communicating with your support networks and speak with other small businesses to share ideas and innovative practices.

A good starting point for online networking is our Facebook group I'm a small business owner in Western Australia which has more than 8,000 members and provides a space for small business owners to network, share information and seek help from your fellow business owners.

12. Keep informed of changes

Given the peak volumes of calls to many government departments, being proactive in seeking out trusted sources of information is an important way that you can keep up with the latest developments on coronavirus information for small business owners.

