

# Stabilisation

## Crisis management

This is what you need to do to effectively address the short term needs of your business during lockdown. This consists of furloughing, cost management and funding for short term business interruption; essentially crisis management. Many businesses have now moved through this stage and have started to adapt to the 'new normal' of the next stage.

### People

Here we have set out some of the common areas which businesses need to consider in relation to the management of their people.

- Furloughing employees.
- Reimbursing home office expenses.
- Reimbursing communication costs (phone bills, new lines etc).
- Pay cuts/bonus deferrals.
- Demobilisation of international staff.
- Payroll subsidies and state support available outside of the UK.

### Efficiency and restructuring

To achieve efficiency as part of the 'new normal' the following areas may need to be considered.

- Turnaround advice.
- Liquidations.

### Funding and cash management

Key financial matters that require consideration and how to ensure that tax is appropriately reflected into your funding plans.

- Credits, grants and exemptions.
- CBILS.
- Deductibility of professional fees for funding.
- Forecasting and interest deductibility/thin capitalisation.

### Workplace and plant & machinery

During stabilisation many areas require consideration as set out in our checklist. Have you considered the below and how you can secure tax relief on the costs incurred in getting your business up and running again?

- Plant maintenance and restart costs.
- Re-tooling and machinery adaptation.
- Home office equipment.

### Supply chains and customers

There are a number of tax elements in relation to changes with customers and suppliers that you should be considering.

- Bad debts.
- Obsolete stock.
- Transport and logistics.
- Penalties.

### Risk management and compliance

Ensuring you are aware of your tax compliance obligations will be important.

- Compliance advice.
- Time to Pay.

Read our guide to 'Getting your business back on track' for more information.

### Start the conversation

Please get in touch with your usual Crowe contact.