

Welcome

Financial Support for Business Webinar

30 March 2023

The **co-operative** bank



Strategic Partner of
Greater Manchester
Chamber of Commerce



Federation of
Small Businesses



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Agenda & Housekeeping



GDP & business trends



Financial management

Cash flow management

Sustainable banking decisions

Digital cash flow management solutions to get paid on time



Managing your finances

Tax updates, business plans & grants



Reducing energy costs

Ofgem latest updates, impact of spring budget

How to reduce energy bills



Q&A

Note

Session will be recorded



Chris Fletcher

**Director of Policy and LSIP
Greater Manchester Chamber
of Commerce**

Chris leads the policy work for Greater Manchester Chamber, coordinating the voice of our Chamber members and liaising with local and central government. Chris is also the Contract Director for the Greater Manchester Local Skills Improvement Plan.



Malcolm Martindale

Head of SME Business Support
The Co-operative Bank

With over 30 years of business banking experience, Malcolm provides specialist support for businesses experiencing financial difficulty.

Financial management – managing the impact



We understand that sometimes businesses will face financial problems that calls for extra support.

Given the current economic challenges and increasing cost of living it's important now more than ever that you know what support is available.

Discussing your challenges with your Bank early could prevent these issues from becoming more serious in the future.



Recognising the early warning signs and take action

It's important to take action as early as possible if your business is struggling to meet it's financial obligations, like payments to suppliers, landlords, employees or your lenders. You might already be in financial difficulty but not realise that you are.

Financial management - managing the impact

Some of the early warning signs include:

- ✓ negative cashflow (bank balances decreasing over time)
- ✓ reductions in turnover or forecasted sales
- ✓ reductions in profitability / increasing losses
- ✓ late or missed payments to suppliers
- ✓ late or missed payments to your creditors (including the Bank)
- ✓ unusually high staff turnover
- ✓ customers who owe money to the business are extending their payment terms
- ✓ a loss of customers.

Financial management

- cashflow and your business

Running out of cash is the leading cause of business failure in the UK.

Cashflow forecasts can be really useful. It is vital to know your day-to-day costs like salaries, rent and suppliers, but it is also important to understand the revenue impacts of taking on new business or delayed payments.



Top tip

By spotting the early warning signs, you will be in a much stronger position to put things right.



Financial management

- cashflow and your business

All businesses experience highs and lows when it comes to trading, but significant cashflow problems include:

- regularly going into an unarranged overdraft or going over your arranged overdraft limit
- missed loan or other borrowing repayments
- late or missed tax payments
- difficulty paying employee salaries / wages
- business owners going without pay, or providing additional financial backing.



Here are some considerations that could help to provide short-term relief during times of cash pressure

1

Debtors

Ensure that you maintain a professional and business focused approach to dealing with debtors. This may include following up outstanding debts that are owed to you outside your normal payment terms and settling disputed claims.

2

Offers

Consider offering discounts and renegotiating terms to ensure cash is flowing into the business.

3

Take deposits

If this is the right thing to do with your customers in mind, getting a partial upfront payment from a customer will inject cash into the business. Look at your lines of credit – speak to your creditors and explore payment options with them, and ask for help if you are struggling to keep up to date with the repayments that are due.

4

Consider your stock levels

Take care in building up stock even though it may be offered at a discount – will it be turned around quickly enough?

5 Rent
Can you negotiate a reduced period of rent or rent free period? Remember, it is in the property owner's interests to have the property occupied and let, rather than empty.

6 Overheads
Review all your fixed costs and identify any areas that can be reduced or renegotiated.

7 Review your costs
Including staffing expenditure, and ensure your business has the right balance between expenditure and trading levels.

8 Assets
Review planned expenditure, is it still required? Non-essential expenses could be delayed. Explore finance options rather than buying an asset outright, although you need to bear in mind that this may cost you more in the long run, so you'll need to ensure you've carefully considered this. Review your assets usage – do you still require them and could they be sold to raise cash?

9 Check your prices
Is your pricing at the right level? Are you covering all costs?

10 Management information
Make sure you make good use of any managing information available and that it's thoroughly analysed to give you a good understanding of key aspects of your business, such as sales forecasts. Will that great sale which has been in the pipeline for the last year really come off in the next month and what happens if it doesn't?



Help and information from your Bank

Most Banks will have dedicated specialists that you can speak to about your situation who can provide support to your business by exploring the different options available to you.

Our Business Support Team has been specifically put in place to help our customers who are experiencing financial difficulty. We have a range of options that can be tailored to specifically help your business tackle the challenges you are experiencing.



Additional help and support

If you need further guidance and support, there are also other charities and organisations that can offer help and support.



Citizens Advice

We've partnered with Citizen's Advice to make sure people can get support when they need it most. Citizen's Advice can help you if you're experiencing financial and debt-related problems.

They will never tell us what you have discussed, unless you want them to. It is a free and confidential service to support you when you need it most.

www.citizensadvice.org.uk



Business Debtline

Business Debtline gives free and independent debt advice over the phone and online.

www.businessdebtline.org



MoneyHelper

MoneyHelper offers free and impartial money advice, including debt support, via a range of channels including telephone, web consultation and WhatsApp.

www.moneyhelper.org.uk



StepChange

StepChange is a UK charity which offers free debt advice based on an assessment of your situation, as well as practical help and support.

www.stepchange.org



Jo Gibson

Head of Digital Transformation
Go Get Paid

Jo has spent over 20 years helping small businesses to boost efficiencies and maximise returns through digital innovation. She recently placed 6th in the Business Cloud's FinTech 50 innovation rankings.

Digital cashflow management

- Have you worked out how much time you spend on administering your business finances each month?
- What does that amount of time cost your business, what is your hourly rate?
- Would it be more cost efficient to channel that /cost into growing your business rather than running your business?
- Digital tools do not need to come with long, binding, expensive contracts.
- Consider building your own digital eco system, to bring all your various workflows into one view. Make the software work for you, saving you working hours to focus on what you love to do.



Your Digital Ecosystem should work for your business



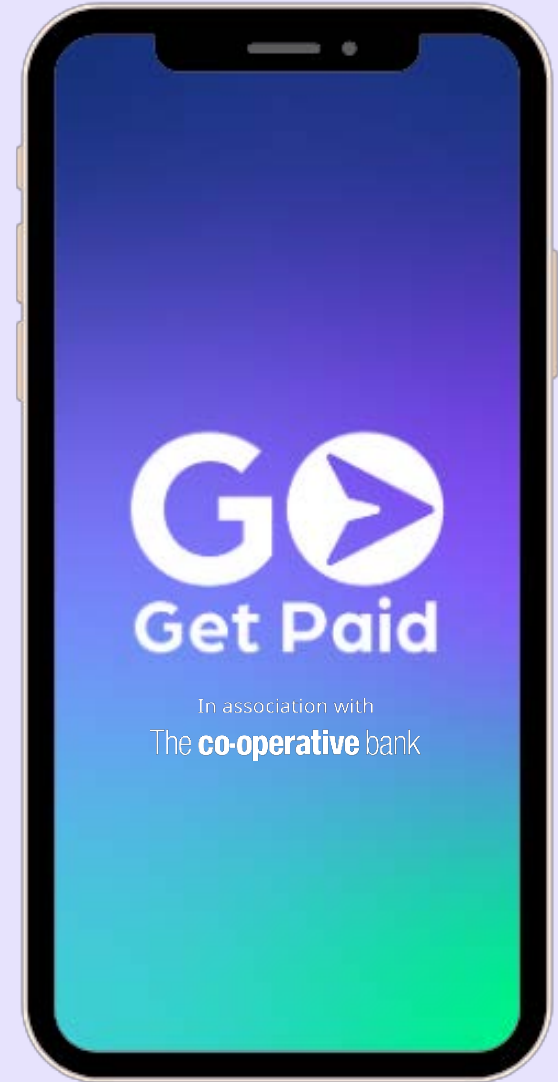
Did you know existing Co-operative Bank customers have free access to the Go Get Paid app which allows you to collect payments from your customers?

www.gogetpaid.co.uk

GO Get Paid

Benefits of Go Get Paid:

- Get paid on time and in full
- Reduce time spent on financial admin
- Receive instant payments - the money arrives in your account the moment the customer pays
- Maintain an overview of payment statuses
- Send payment requests via email, SMS, QR code or WhatsApp
- Chase late payments with one tap
- Gain visibility of your cash flow



*Free for The Co-operative Bank customers or £5 p/m for all other users



Hans Gobin

ACA FCCA MBA

**Director
On The Spot Tax**

Hans is a chartered accountant with over 25 years' global experience in the financial sector. Today, he runs his own accountancy practice working with start-ups, SMEs, medium-sized firms and large PLCs.

What we will cover

Tax updates



Business plans



Grants



Tax update

1. Corporation Tax changes
2. Super Deduction
3. Research & Development (R&D)
4. Dividend Tax
5. Capital Gains Tax
6. Pension Allowance
7. National Pension
– state pension top up
8. Frozen Allowances



Business plans - best practice

- Definition
- Why do we need one?
- What does it include?
- Regular updates



Business Grants

- Definition
- How to apply?
- Some examples of Grants
- Where to find them





Mike Chessum

Head of Energy
Zellar

Mike is an energy-saving expert who has helped many business and organisations, including HM Government, to save on their energy costs and improve their sustainability credentials.

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Hello, we're Zellar

Cost saving, efficiency and climate action for every UK business

Like Experian, but for sustainability

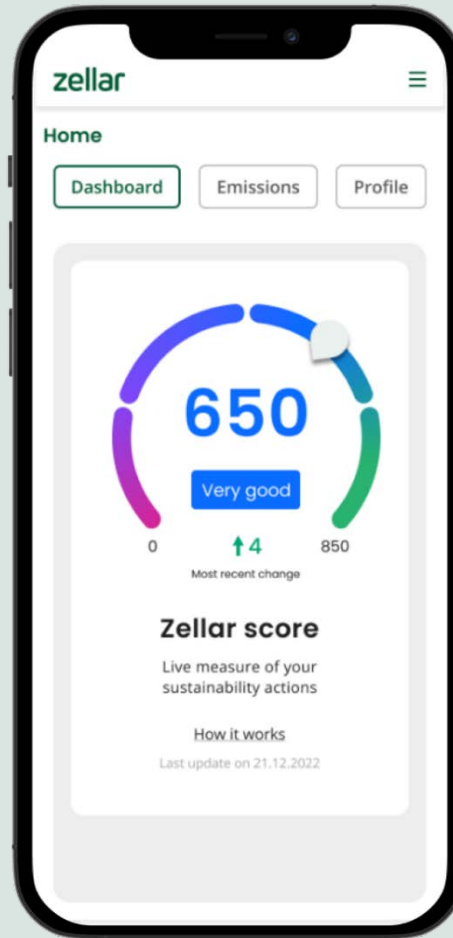
Manage sustainability like a credit score, making it practical, affordable and accessible for every business.

Guided programme from £29/month

A holistic platform to capture, quantify, measure, engage, report and display sustainability action. 20% discount available for Co-operative Bank business customers.

Saving every business £4.1k per year

Bespoke action plan and custom marketplace connecting businesses direct with suppliers, vendors and projects.



Goodbye to greenwashing

A live, transparent and trusted Zellar score & profile to share with the people and organisations that matter.

Biodiversity and volunteering

Connect with local and national projects to engage and have a direct and tangible impact now.

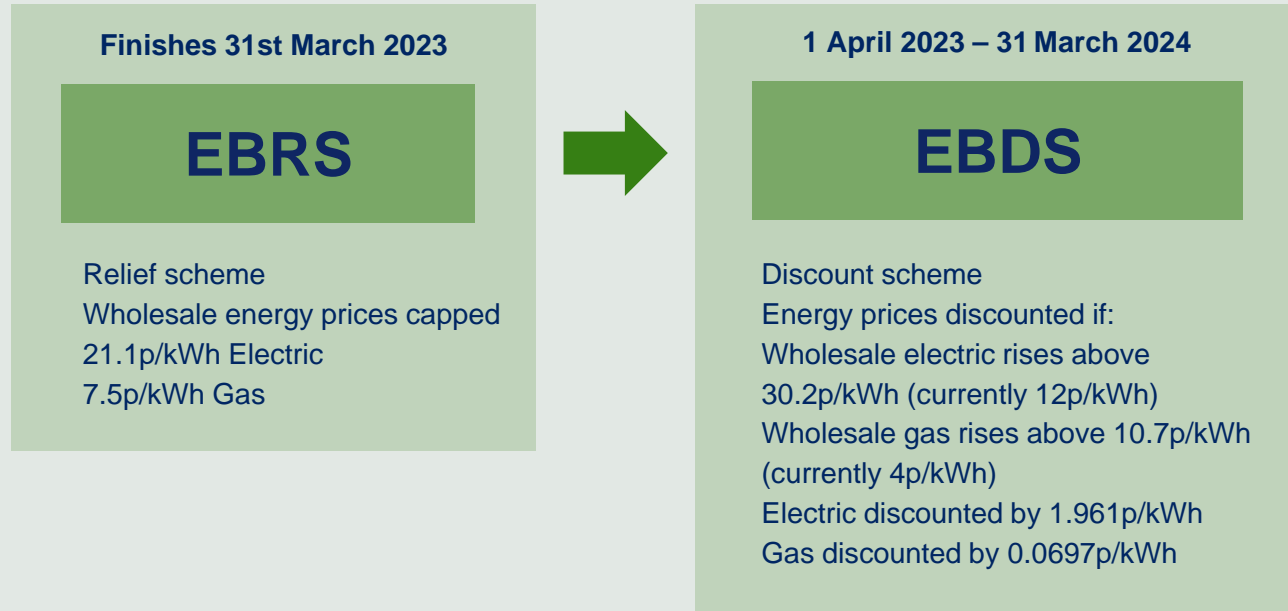
Community

Engage with local and sector communities to share and learn with other businesses.

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Spring Budget Impact

No further support for businesses announced for energy. The EBDS scheme already in place from **1 April 2023**.



Currently the wholesale rates are well above the threshold therefore there is no relief despite the fact that wholesale energy prices are still 50% higher than they were in June 2021

Applies to all contracts signed post 30 Nov 2021 as well as all types of out of contract.



Energy saving strategy and tips

The strategy below is supported by the Zellar platform. Most sectors are catered for within the platform and there is a guided plan to get you started. **Savings of £4k to £15k+ (13% to 37%+)** can be made through following the energy reduction interventions.



Download the Zellar energy saving guide here:
[Free guides - Zellar](#)



Measure

- SMART Meters
- Energy Insights
- Building emissions
- Travel
- Employee emissions
- Sustainability score



Reduce

- No cost Energy Saving
- Sustainability Officer(s)
- Heating/cooling settings
- Switch lights off
- Check compressor leaks
- Reduce motor speed (approx. 30 tips per sector)



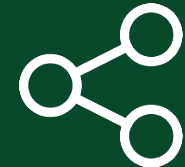
Invest

- Green Energy
- LED Lighting
- SMART controls
- Energy efficient Boiler
- Building insulation
- Pump VSD
- Compressor VSD



Generate

- Roof solar
- Off-site solar (PPA)
- Air source heat pump



Influence

- Spread the word
- Show others what you have achieved
- Create a movement
- Supercharge your impact
- Attract new talent and engage staff

Energy Market Update

Whilst the energy market has been at unprecedented levels recently, the market has now softened in the last few weeks. If your contract is due for renewal in the next 6 months, now would be a good time to see what prices you can secure.



If you use an Energy Broker, they will charge commission in your price at an average of £600 per annum per fuel for SMEs. Zellar can help you secure your energy contract with Green supply options with no commission if you are a member.



Zellar weekly blogs allow you to keep up with the wholesale energy market trends

Q&A

Useful resources

Topic	How it will help	URL
Financial Support for Business	Support for your business	https://www.co-operativebank.co.uk/business/help-and-support/financial-support/index
Citizens Advice	Help if you're experiencing financial and debt-related problems.	www.citizensadvice.org.uk
Business Debtline	Free and independent debt advice over the phone and online.	www.businessdebtline.org
MoneyHelper	Free and impartial money advice, including debt support.	www.moneyhelper.org.uk
StepChange	Free debt advice based on an assessment of your situation, as well as practical help and support.	www.stepchange.org
Go Get Paid	Digital cashflow management	www.gogetpaid.co.uk
Zellar	Energy saving guide	www.zellar.com
Zellar weekly blogs	Weekly blogs allow you to keep up with the wholesale energy market trends	www.zellar.com/blog

Useful resources

Topic	How it will help	URL
FSB	All matters business	https://www.fsb.org.uk/
FSB Finance Hub	All matters Finance	https://www.fsb.org.uk/knowledge/fsb-infohub/finance.html
Business Plans	In depth explanations on business plans	https://www.fsb.org.uk/resources-page/what-is-a-business-plan.html
Business Grants	Host of articles in relation to grants	https://www.fsb.org.uk/search.html?q=grants
Business Tax - Blogs	Tax and business updates blogs	https://onthespottax.co.uk/blog
Expert help	Free 30 mins consultation on business and tax matters	https://onthespottax.co.uk/component/content/article/hans-gobin-maat-mba?catid=41&Itemid=101

Thank you