COVID – 19 Update 18

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Heath Warning

To reiterate yet again, this update as with all the others is written in good faith, based on an understanding of the current situation using published information which is being updated and clarified all the time. We continue to be in a rapidly changing environment, with many of the topics touched on are not within our normal day jobs but included simply to be helpful. Please note we do not give nor does anything in this note constitute investment advice.

This update does not then and never can represent definitive advice and should not be relied on instead of taking proper, full and specialist advice informed as to your particular facts and circumstances. Separate guidance and rules may apply in Northern Ireland, Wales, and Scotland. To keep these updates down to size, we continue to concentrate on the position for England.

Review

As economies and lockdowns begin to reopen, there is now a real feeling that things are slowly returning to "normal". With the combination of the Government phasing out its financial support schemes over the coming months and the unknown impact of Brexit (remember that?) many will now be concentrating on recovery.

To add to the personal and business challenges of Covid-19, Brexit is starting to come back into the news headlines; will history define the turning point of UK efforts to curb Covid-19 as the point at which Brexit came to dominate the news headlines again over Covid-19!

Forecasts from the IMF suggest that world growth will contract by around 3% this year, before bouncing back up again by around 6% in 2021. Economists are still all over the place as to whether it's going to be a U or a V shaped recovery in the UK (L shaped hasn't been mentioned recently which might be a positive) , but this does offer some insight into the potential pace and shape of a recovery. In Europe, a push for a €750bn European Recovery Fund ended in defeat at a European Council meeting, as the 'frugal four' (Austria, Denmark, Sweden and the Netherlands) moved to block what they believe to be an overly-generous scheme. Renegotiations are set for July.

As discussed in previous updates, deferrals of tax etc may be helpful to short term cash flow but are potentially very dangerous, because they only kick the can down the road, and may cause significant difficulties when those liabilities finally fall due, if not planned for and remedial action taken. If you want help with budgets and forecasts, please do get in touch.

The headlines around major companies cutting staff levels, the key cost for most, reflects the need to protect the core business in the short to medium term, and get it fit for the future.

We expect many organisations to struggle to maintain previous turnover and control increasing operating costs. This will only be exacerbated by the postponed HMRC debts having to be paid in early 2021.

Now, more than ever, it will be key for owners to consider the future strategy of their businesses. We would always recommend identifying potential problems early, to allow time to address them. Whilst it may be difficult, business owners will need to ensure that they balance their optimism for the future with the realism of cashflow pressures.

We're hearing a lot of talk about business change, adaptation and technology being the foundation blocks for success in a reimagined business environment. One area that should be getting more attention than it is, is outsourcing - reimagining your finance and wider management information functions through the use of outsourced solutions. This is aligned to ‘near-shoring’ and ‘on-shoring’ supply chains of both goods and services in a post-coronavirus world, where concerns over trade barriers, geopolitical changes and the turbulence in the global economy are driving business decision-makers to stop and rethink an option that was previously considered high risk.

Beyond Covid-19: Reimagining Strategies

Ever business is going to differ but while short-term staffing models are important to stabilise during and post-lockdown, most organisations have also the opportunity under lockdown to shelve historic ways of working, and instead identify transformational plans. More radical staffing models, perhaps with a commercially focused finance team providing detailed rolling forecasts and closer decision support to the business, may demand changes to the competencies held within the current team.

But the heart of a reimagine strategy will revolve around technologies that drive process efficiency and cost-savings on the one hand, while adding vital business insights allied to robust planning on the other; a digitised future-state perspective.

At a basic level, this may for example begin with a move from server-based to cloud technology –touch-free invoice processing, high-quality management information, analytics-driven forecasting, electronic bank interfaces etc. Each initiative removes human intervention, de-risking the finance function in the face of another future crisis while moving it up the value chain as a planning vehicle for new business channels.

Of course working capital is still a priority but Covid-19 loans can assist with this whilst for some, a finance and accounting outsource (FAO) provider may provide timely access to relevant technologies at a fraction of the price (and without the commitment to systems selection, implementation or upgrade) while also securing the mainstream and niche finance competencies described above. If you want to discuss this, please do give us a call.

Several far-shore outsource centres, notably in India and the Philippines, struggled with the challenges of hardware, connectivity and self-distancing as two-thirds of staff moved to home-working. Inadvertent contract breaches and failures to meet service levels, sent some UK businesses 'scrambling teams to re-shore work back to the UK' to gain more control and reduce risk. This follows the pattern of re-shoring in some global supply chains

Mobile devices, cloud computing and the emergence of the Internet of Things promise a new world, but the reality is that there is still a great deal of clunkiness in how systems operate. There is the problem of legacy systems compounded by weaknesses in the integration of new systems, and we all know about the weakest link.

Collaboration clunkiness is also a people problem, because people are often happier with what they use rather than what is efficient, and they can be easily disengaged by what is “new” and feel worn out by “initiative fatigue”. Training staff and clients on how to use technology tools is essential, and it requires high levels of collaboration and communication.

We will all need a successful strategy for generational change because by 2025, 75% of the global workforce will be comprised of millennials, and they are very comfortable with technology and expect routine tasks not simply to be automated but done by self-serve.

What is happening now is not just technology disruption but generational disruption. In the past decade technology providers have revolutionised the end-user experience, and there has been a consumerisation of business software bringing business agility, user productivity and user satisfaction into the mix of enhancing collaborative engagement. The idea that less is more applies. In operations, simple tech stacks are replacing complex systems. In user experience, deployment requires solutions with little training and a more frictionless experience.

The biggest challenges to change are often the internal obstacles.

Income Tax: 31 July Instalment

Many of us will be due to pay the next instalment of income tax on 31 July and will have had reminders already. That reminder may well include the opportunity to defer that payment reinforcing the common misconception that this deferral opportunity is available to everyone, when in fact it is only meant to be available to those who are '*finding it difficult'* to make such a payment and have been adversely affected by the coronavirus crisis.

Individuals such the self-employed or landlords facing genuine cash flow issues because of the coronavirus crisis are the likely intended recipients of the deferral opportunity. The same point applies to negotiating '*time to pay arrangements'*.

It's a judgement call as to whether it is appropriate to defer making payment. If you want to discuss this, please do get in touch with our tax department.

CJRS

Job Retention Bonus:

The Government is introducing a new Coronavirus Job Retention (CJRS) bonus to reward and incentivise employers who continue to employ their furloughed employees through to the end of January 2021. The bonus will be a one-off payment of £1,000 to UK employers for every furloughed employee who remains continuously employed through to 31 January 2021.

CJRS Fraud & Penalty Regime:

As you will see below, critically significant teeth have now been added to this.

Employers who ask their employees to work while they are furloughed, and claim for the cost of those employees' wages under the CJRS are likely to be committing fraud by false representation (Fraud Act 2006 section 2). Likewise, where the employer CJRS claims for employees who have not been furloughed or does not pass on the CJRS grant to furloughed employees, could also be committing fraud under the same Act.

Determining whether employees are working for periods for which they are furloughed is difficult for HMRC and will be even more so when the flexible furlough rules come into effect from 1 July. HMRC will largely have to rely on reports by employees or other parties through its online fraud reporting service.

The rules of the CJRS scheme, as set out in para 6.1(a) of the HMRC Direction issued on 15 April 2020, say that a furloughed employee is an employee who "has been instructed by the employer to cease all work in relation to their employment."

The HMRC Direction goes on to clarify that “training activities directly relevant to an employee’s employment agreed between the employer and the employee must be disregarded for the purposes of para 6.1(a)”. This means that employees can undertake directly relevant training to their job while furloughed, but they can’t work to generate income or even do administrative tasks for that employer.

A furloughed employee can take a job with a different unconnected employer (if their primary employment contract doesn’t prevent this), or volunteer for a different organisation. But an employee cannot work as a volunteer for their own employing organisation, even if it is a charity.

Directors must continue to meet their statutory duties to file returns with HMRC and Companies House, and the HMRC Direction in para 6.5 specifically allows directors to provide information relating to the administration of their company while furloughed. However, a director must not create income for their own business or company. This would include carrying on the business of the company as a self-employed individual while claiming the CJRS grant for their director’s salary from that company.

Draft legislation was published on 29 May to allow the taxation of the coronavirus business support grants. This draft law also gives HMRC powers to investigate abuse of those schemes, raise assessments to claw-back SEISS or CJRS grants claimed incorrectly or where the grant has not been paid to furloughed employees.

Where the claimant is a company the company officers can be made jointly and severally liable for the tax charge that claws-back the incorrect claim.

HMRC has the power to apply penalties where a person has deliberately made an incorrect claim, or has failed to pay the grant claimed to its employees. However, the tax information note says these penalties will only be applied if the person fails to tell HMRC of the error by the later of; 30 days of making the claim, and 30 days of the law being passed.

These provisions are expected to be included within the current Finance Bill which is expected to receive Royal Assent to become the Finance Act 2020 in late July. Thus any errors made in CJRS or SEISS claims before FA 2020 is passed will need to be notified to HMRC, and potentially corrected, within 30 days of Royal Assent.

Where the error is not notified to HMRC within this period, the penalty imposed will be between 30% and 100% of the tax charge that claws-back the grant, where a voluntary disclosure is made. Where HMRC prompts the disclosure, the penalty will be between 50% and 100% of the tax charge.

In summary, an employer who breaks the CJRS rules will have to pay tax charges and penalties of up to 200% of the amount over-claimed.

If this may apply to you, please get in touch with our tax team as soon as possible.

CJRS Template for Claims for 100 Or More Employees:

Complete a template with the details of the employees you are claiming for and upload this when you claim (for claims on or after 1 July 2020).

Template (XLS)
MS Excel Spreadsheet, 35KB

Template (CSV)
View online Download CSV 150Bytes

Template (ODS)
ODS, 3.74KB
This file is in an OpenDocument format

Template (XLSX)
MS Excel Spreadsheet, 11.2KB

See: https://www.gov.uk/government/publications/download-a-template-if-youre-claiming-for-100-or-more-employees-through-the-coronavirus-job-retention-scheme?utm_source=39bc9a5c-5198-492e-a21a-816ef4922b17&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

Check the Employees You Can Put on Furlough Using CJRS:

The CJRS guidance page was updated on the 19 June.

If you are making your own claims, then please refer regularly to this guidance as more updates are expected.

See: https://www.gov.uk/guidance/check-which-employees-you-can-put-on-furlough-to-use-the-coronavirus-job-retention-scheme?utm_source=189dd7e3-826c-4aa6-838f-504695999f0d&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

VAT payments now due

HMRC recently confirmed that the deferral of VAT payments will not continue after 30 June 2020, ending speculation that it might be extended into a second quarterly VAT return period.

On its dedicated webpage: Deferral of VAT payments due to coronavirus (COVID-19), HMRC says businesses will now need to:

- set up cancelled direct debits in enough time for HMRC to take payment;
- submit VAT returns as normal, and on time; and
- pay the VAT in full on payments due after 30 June.

HMRC invites businesses who remain unable to meet VAT return payments due after 30 June 2020 to get in touch as soon as possible to negotiate a time to pay agreement. If you want assistance in this, please do contact our tax department.

Businesses are also reminded that any VAT payments deferred between 20 March and 30 June 2020 must be paid in full by 31 March 2021. HMRC also suggests that businesses could, if they wish, settle this liability by make additional payments alongside VAT returns in the interim period.

5% VAT for Leisure and Tourism

The aim is to boost the economy and encourage consumer spending in the sector, but will undoubtedly cause some transitional headaches for businesses that have to change their VAT accounting.

The 5% rate will apply to all takings, supplies made and subsequent invoices issued on or after 15 July 2020 to 12 January 2021 on the following:

- food and non-alcoholic beverages sold for on-premises consumption, for example, in restaurants, cafes and pubs
- hot takeaway food and hot takeaway non-alcoholic beverages
- sleeping accommodation in hotels or similar establishments, holiday accommodation, pitch fees for caravans and tents, and associated facilities
- Admissions to theatres, circuses, fairs, amusement parks, concerts, museums, zoos, cinemas, exhibitions and similar cultural events and facilities (note that if any of these attractions are covered by the existing cultural exemption, the exemption will take precedence)

The VAT fraction for the 5% rate is 1/21.

Where payment or a deposit has been received before 15 July 2020 but the goods/services are supplied after the VAT rate change, you can choose to charge and account for VAT at 5% on goods removed or services performed on or after 15 July 2020 (but not after 12 January 2021) even though payment has been received or a VAT invoice issued before that date. This is a special provision allowed by HMRC.

It is important to note that it is the business's decision whether to amend the VAT rate on these prepayments that span the change. Depending on the contract you have with your customer, you may be required to pass on the VAT saving to your customers, however in most cases your prices will be shown as VAT inclusive and it will be your choice to pass on the saving or not. Note that if you choose to amend the rate and have already issued a VAT invoice showing the 20% rate of VAT, you must correct it by issuing a credit note and reissue using the 5% rate.

For supplies made before 15 July 2020, but where the invoice is issued afterwards the general tax point rules will apply in this scenario:

The basic tax point rules are:

- Goods – the date the goods are sent or taken away by your customer or made available to your customer
- Services – the date the service is performed or completed

The basic tax point is overridden if an actual tax point is created.

That is:

- If before the basic tax point you issue a VAT invoice or receive payment for the goods/service – the tax point will be the date of the VAT invoice or the date when payment is received, whichever happens first
- If you issue a VAT invoice up to 14 days after the basic tax point, then the tax point is the date the invoice is issued

In this scenario, the new rate will apply if an invoice is issued on or after 15 July 2020 and the service or goods were supplied up to 14 days before 15 July 2020. Otherwise the standard rate will apply to your supply.

The rate of VAT to be used for refunds/credit notes is the one that was in force at the time of the original supply.

As the measure is aimed at helping businesses and protecting jobs, the consensus seems to be that the business should retain the VAT saving. However, it is the business's decision whether to reduce its prices or not.

- **Cash accounting –** under the cash accounting scheme you can account for VAT when you receive payment, however the general tax point rules apply. VAT will only be due at the new rate for supplies made after 15 July 2020
- **Flat rate scheme –** we expect HMRC to change the flat rates for the trade sectors that are affected by the change. We will update this answer as soon as we have clarification from HMRC. Some businesses might decide that leaving the scheme will be more beneficial
- **Retail scheme –** for most retail sales, it should be straightforward. The new rate will apply to takings received on or after 15 July 2015. Some businesses that use the retail scheme may need to apportion their takings and apply the standard rate and the reduced rate where the change spans a VAT period. It will be important that the VAT rate for affected supplies is updated on till systems
- **Payment on account –** the rate change will not affect payments on account. However, if your VAT liability is expected to decrease by 20% or more you can write to HMRC and request reduced payments
- **Annual accounting** – HMRC will not change any instalment unless you expect your VAT liability to decrease (or indeed increase) significantly over the course of the year

For supplies received before 15 July 2020 that are affected by the change, you can continue to claim the 20% where it has been charged correctly on the invoice.

After the VAT rate change you must ensure you are claiming the new rate on applicable supplies. If your supplier invoices you at the incorrect VAT rate, we recommend that you return the invoice to them and ask for a new invoice to be issued at the correct rate of VAT.

Eat Out to Help Out

The Chancellor announced the new scheme to run in August 2020 with a 50% discount to a maximum of £10 per head on meals eaten at any participating business on Monday to Wednesday. The government will open a website where businesses can register for the scheme online, with the funds claimed back paid within five working days.

VAT should still be accounted for on the full consideration as appropriate by restaurants, cafes and pubs that enrol for this scheme, i.e. VAT will be accounted on the full price, including the amount that will be refunded to the business.

The Future Fund

The Chancellor of the Exchequer announced on 20 April a new Future Fund to help and support the UK's innovative businesses which are currently affected by the issues surrounding Covid-19.

A great innovation, The Future Fund is for businesses that have been unsuccessful in accessing alternative government business support programmes such as the Coronavirus Business Interruption Loan Scheme (CBILS) or the Bounce Back Loan Scheme (BBLS), because they are either pre-revenue or pre-profit and typically rely on equity investment.

But its critical to be aware of the terms under which that matched funding is to be made available.

The fund will issue convertible loans between £125,000 and £5m to innovative companies which are facing financing difficulties due to the coronavirus outbreak. The scheme is initially planned to be open until the end of September.

The scheme injected an initial commitment of £250m of new government funding but this proved insufficient to cover even the first day of applications!

In general, by its nature a convertible loan starts its life as a loan and therefore no valuation is required to enter the deal. The company can be funded without the added completion of agreeing a valuation between the investors and the company.

However, the convertible loan usually converts to equity at some stage of the company's life. This is particularly true if the company does well since the lenders or investors have a stronger incentive to convert the loan into equity. If the company does poorly, the lenders or investors can fall back to a loan repayment plus interest with or without securities, as applicable.

The terms of the specific Future Fund convertible loan instrument justify highlighting some of the key issues that companies need to be aware of when considering raising money via this instrument. However, the convertible loan has many more provisions and legal technicalities that should be reviewed carefully with your legal adviser before signing up.

The Future Fund investment or loan under this structure operates as a matching fund to other lenders to the company. All the lenders are parties to the same convertible loan alongside the Future Fund. However, the Future Fund can elect, separately of the other lenders, to call the loan instead of converting it to shares. In this respect the other lenders are bound by a majority rule.

Generally, private companies in the UK and worldwide may have concerns over a new investor joining the existing shareholders of the company. This is a consideration that management and investors alike should bear in mind at the outset.

A central feature of the covariable loan is the conversion of the debt into equity in the company. Conversion occurs (automatically or at the election of the lenders) on certain financing events that take place before the maturity date. On maturity (which is 36 months from the date of the agreement) the loan will convert into equity (shares) in the borrower. The convertible loan is generally designed to give the lenders on conversion the most senior share class issued at the applicable financing round subject to a pre-agreed discount rate.

It is in the Future Fund's sole discretion whether to take the conversion route or the loan plus interest repayment route. The company has no say in this case.

From the lenders' point of view, any commercial entity faced with this choice will elect the option that maximises its return on investment. The higher the valuation of the applicable financing round the smaller the dilution of existing shareholders. The lower the valuation of the applicable financing round, the bigger the dilution of the existing shareholders.

The convertible loan does not give the Future Fund active management powers to run the company or a seat at the board. It does give management information at the outset of the loan.

However, one needs to bear in mind that upon conversion the Future Fund may become a significant shareholder in the company. This may change the management and control dynamics.

Furthermore, once the convertible loan is converted into shares, the Future Fund has the right to effectively sell its shares in the company as part of a larger portfolio sale (not fewer than 10 companies) to an institutional investor. This raises the possibility of new third parties with different agendas becoming a shareholder in the company. The company does not have a say over this potential transfer.

These issues are central to a company's consideration regarding this convertible loan. They go to the core of the business case a company should consider when entering into this and, indeed, any convertible loan.

Further issues such as repayment provisions, event of default, company covenants and warranties should also be taken into consideration to ascertain the adequacy of the Future Fund convertible loan to potential borrowers.

Your legal adviser may highlight other concerns and accordingly this is critical to your decision whether to go down this route.

Kickstart Scheme

Under the Kickstart scheme for employers who create new jobs for any 16-24 year old at risk of unemployment, the government will pay their wages for six months, plus an amount for overheads, which will give employers a grant of around £6,500 for each employee taken on. The funding is conditional on these being new jobs, paid at national minimum wage and for at least 25 hours a week.

Employers will be able to apply from next month, with the first Kickstarters in jobs in the autumn. There will be no cap on the number of places available.

For the first time ever, the government will pay employers £1,000 to take on new trainees, with the aim of tripling the number of level 2 and level 3 courses, at a cost of £100m.

There is also extra funding for careers advice, and a tripling of the number of places in sector-based work academies.

In addition, over the next six months the government will pay employers to create new apprenticeships, with a grant of £2,000 per apprentice hired. There is a new bonus payment of £1,500 for hiring those aged over 25.

Green jobs

The Chancellor announced a £2bn green home grant, to support a green-led recovery. From September homeowners and landlords will be able to apply for vouchers to make housing more energy efficient and to create local jobs. The government will cover two thirds of the cost up to £5,000 per household, and up to £10,000 for those on low incomes.

There is also £1bn of funding for developing energy efficiency in public sector building.

Stamp duty cut

To boost the housing market, the threshold for payment of stamp duty has been increased from £125,000 to £500,000 until 31 March 2021.

Investments: Income and Total Return

The quarter ended 30th June 2020 saw a marked recovery from the low in March, the FTSE All Share recovered 10.2%, while the FTSE World ex UK rose 20.5%, and gilts 2.5% with the global equity market up almost 40%. This reflected in part at least the robust and prompt actions taken by both central banks and governments which increased the chances of an early recovery.

For charities and individuals, 2020 may feel particularly challenging with dividend income expected to decline dramatically over the year, by as much as 40% on UK stocks and 15% for global stocks, causing budgetary problems for those dependent on dividend income and with a traditional approach to investment management.

A total return approach gives investors greater flexibility as both income and capital can be used to meet spending requirements. Investments are managed to make the most of the total investment return that they generate, with a focus on investments that are expected to give the best performance overall, rather than on investments which will give the target balance between capital growth and income.

This approach is intended to smooth spending distributions over time, so in principal the impact of market and dividend falls is less significant, providing a more stable and sustainable level of cash flow.

An income requirement would normally lead to a UK biased portfolio because of a tradition in the UK for higher dividend payments.

It is understood that a total return strategy may also enable individuals & charities to make slightly higher withdrawals than strategies with an income requirement as a key target. This is because equities produce real capital returns over the period and the investible universe will be broader. Additionally, a total return strategy ensures there is less danger of solely focusing on income targets and an increasingly concentrated list of higher yielding stocks.

A total return approach also provides the flexibility to increase diversification and access investment opportunities within alternatives that potentially provide little or no income, but that have the potential to achieve higher risk-adjusted total returns for the portfolio.

As noted, this is not within our field of expertise, if this is of interest, you should discuss it with your investment manager.

Dairy Response Fund - England

The Dairy Response Fund 2020 provides support to eligible dairy farmers in England who produce cows' milk. They can apply for a one-off payment. The handbook was released 18 June 2020.

The Dairy Response Fund is now open for eligible farmers to apply for a single payment from the fund.

See: https://www.gov.uk/government/publications/dairy-response-fund-2020?utm_source=09cd74b9-1b6d-44f0-8092-3b9a9cf6e474&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

Restarting Private Sewage Treatment Plants

The Environment Agency has provided guidance confirming the need for private sewage treatment plants to be made ready to be used again following a period of shutdown or low flows.

Environmental impact must be minimised when operators restart their sewage treatment plants, the Environment Agency will therefore confirm the need for operators to take steps to ensure that their treatment plant is able to operate effectively as flows into it increase after their businesses reopen.

See: https://www.gov.uk/government/news/environment-agency-advises-on-restarting-private-sewage-treatment-plants?utm_source=7f9a0393-720b-4158-a423-f395ed349cac&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

Guidance for the safe use of multi-purpose community facilities

Guidance has been issued for the activities that can take place in multi-use community facilities in line with the government's roadmap to ease the existing measures to tackle COVID-19.

Community centres will be closed except where for the following permitted activities:

- essential voluntary activities or urgent public support services (including the provision of food banks or other support for the homeless or vulnerable people, blood donation sessions or support in an emergency), or

- early years childcare provided by a person registered on the Early Years Register under Part 3 of the Childcare Act 2006, or

- to host an indoor market

Managers of community facilities will have discretion over when they consider it safe to open for any activity permitted by legislation and may decide to remain closed if they are not able to safely follow the advice in the relevant guidance, to make the space COVID-19 secure.

Those responsible for the premises should therefore be aware of their responsibilities as employers. and to volunteers The guidance is clear that no one is obliged to work in an unsafe workplace. See also government information on coronavirus volunteering and how to help safely. Volunteers and other individuals who are shielding should continue to follow the government's advice on shielding.

Some key principles are highlighted below.

https://www.gov.uk/government/publications/covid-19-guidance-for-the-safe-use-of-multi-purpose-community-facilities/covid-19-guidance-for-the-safe-use-of-multi-purpose-community-facilities

Companies House Changes

From 10 September they will resume the strike-off and dissolving of companies, having temporarily eased strike-off action to support businesses and creditors during the COVID-19 pandemic. Companies House will continue to register applications for voluntary strike-off (DS01) and publish a 1st Gazette notice. From 10 September, if the 2-month period following the 1st Gazette expires and if they have not received any objections to the dissolution of the company, they will strike-off the company shortly afterwards.

They will continue to ease compulsory strike-off action to support those struggling to file their accounts or confirmation statement on time and who want to keep their company on the register. They will keep this under monthly review and let you know when the situation changes.

Further information can be found at the following link:

https://www.gov.uk/government/news/companies-house-to-restart-the-voluntary-strike-off-process

Farmers, Landowners & Rural Businesses

The latest information for farmers, landowners and rural businesses during the coronavirus (COVID-19) outbreak. The Dairy Response Fund is now open for eligible farmers to apply for a single payment from the fund.

If you have already submitted a BPS application online and you need to change it, you may be unable to do this after 23 June, rather you should submit a new BPS application in the Rural Payments service then email them at ruralpayments@defra.gov.uk , using the subject title ‘Amendments to BPS 2020 application’, and explain that your new application is a change to your previously submitted application. For more information, read page 54 of the ‘How to apply for BPS in 2020’.

If you are unable to create or submit a new BPS application online, email RPA at ruralpayments@defra.gov.uk ,using the subject title ‘Amendments to BPS 2020 application’, and explain the updates that you want to make to your application. Your email must include the field number, parcel size, land use, requested activated area and be signed by an empowered contact in the relevant business.

Please remember to include your SBI in any emails you send to RPA. The final BPS application deadline, with penalties, is midnight on 10 July 2020.

See: https://www.gov.uk/guidance/coronavirus-covid-19-information-for-farmers-landowners-and-rural-businesses?utm_source=ad1775aa-be2d-41e6-a22a-3c6a258d7756&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

Audit and Risk Committees

The National Audit Office (NAO) has published a guide to help audit and risk committees advise their organisations on financial management and reporting during, and in the period immediately after, the Covid-19 outbreak.

The guide can be found at https://www.nao.org.uk/report/guidance-for-audit-and-risk-committees-on-financial-reporting-and-management-during-covid-19/.