



Polson Higgs Client Advice XIV – Wage Subsidy Extension, QR Codes, talking to Creditors and more . . .

It appears we will be at Level 2 for a while, with the rules slowly relaxing. This means for businesses there will be a continuing need to be flexible and look at how you are operating. The hospitality industry is slowly reopening, and hopefully we will soon reach a level where our newest partners Jamie and Ryan can have their “Partners Shout”.

In this newsletter we will cover:

- Wage subsidy extension
- Create your QR code poster
- Talking to creditors
- Behind the headlines
- Not sure what to do?
- Bit of a laugh

Wage subsidy extension – In the budget there was an extension of the wage subsidy for a further 8 weeks. Applications for the extension open on 10 June 2020. To be eligible you must have had, or expect to have, a revenue loss of at least 50% for the 30 days before you apply, compared to the closest period last year.

The extension will cover an additional 8 weeks, after the first 12 weeks has expired. You will agree to:

- pass the subsidy on to your employees
- retain your employees for the duration of the subsidy
- do your best to pay your employees at least 80% of their normal pay
- take active steps to mitigate the impact of COVID-19 on your business

If you would like any additional information about the extension, or assistance with the application please email us on covid19@ph.co.nz.

Create your QR code poster - There are many different apps you can use to collect information to help with [contact tracing](#). Many of these (including the Ministry of Health tracing app — NZ COVID Tracer) work by scanning a QR code on a poster at participating businesses. The app then keeps track of where someone has scanned so they know where they have been.

To get your QR posters to display from Business Connect you will need:

1. Your RealMe login
2. Your New Zealand Business number
3. Authority over your business

Once you have your RealMe login, NZBN and authority, you'll need to register with Business Connect or login to an existing Business Connect account. You then register your locations and download / print a poster for each of your premises. Remember to have a poster for each entrance that could be used. For more on contact tracing [check here](#) or if you have any questions email covid19@ph.co.nz.

Talking to Creditors – In our last newsletter we spoke about “[Getting Paid](#)”, there may also be a need to talk to your creditors. Firstly, it is best to remember that your creditors, like you, are interested in certainty. They want to know what is happening so they can plan, therefore, they want to talk to you. It is better to have a proactive approach and talk to your creditors early, when things are still manageable rather than when it is too late.

In the current environment, it would be a very worthwhile exercise to touch base with all your key suppliers (creditors) and let them know how your business is tracking. This will have two advantages, it will build their confidence in your business, and will allow you to strengthen your relationship with them.

Lastly, look at how those key suppliers may have been affected by the current environment; will they still be able to meet your needs going forward or should you start to look at alternatives?

Behind the headlines - There is a constant barrage of bad news stories in the media. The headlines are full of closures and staff being laid off. We don't dispute that all that is happening, but what does not make a headline is “Business being carried on as normal”.

Whilst the news may appear to be all doom and gloom, do not think that there is nothing positive happening. We know from our conversations with clients, that most are adjusting and while it may be a tough 6 to 12 months, they will come out the other side. I guess what we are saying, in the succinct words of *Douglas Adams* in the **Hitch Hikers Guide to the Galaxy** “Don't Panic”. The answer is in the section below and by ensuring you gather the right information to make informed decisions.

Not sure what to do? The last couple of months has seen many changes to the economy and how we operate. One of the major impacts, has been the amount of uncertainty. It is very hard (if not impossible) to plan with the current level of uncertainty, there is no historic data to rely on.

We have talked about thinking strategically and using tools such as modelling and forecasting, to help in your decision-making process. There is a part that your professional advisors should play in that decision process. They can provide an independent perspective to the discussion, in addition, they may have different ideas or information that you can consider.

If you are not sure what to do, or even if you think you do, take the time to talk with your professional advisors before you make any major changes. Your Partner or Manager at Polson Higgs are happy to talk at any time by phone, Zoom or by appointment at the office.

Bit of a Laugh – Having mentioned **Hitch Hikers Guide to the Galaxy** how could we not give you the [a clip](#) from the show. (This is a favourite of accountants as it has the classic “spending the year dead for tax reasons” line)

New Webpage - we have added a new page to our website and are gathering different resources for you to use. Check out **Polson Higgs Covid-19**

If you have a question about anything please don't hesitate to ask on covid19@ph.co.nz.

Stay safe and keep in touch.

Kind regards

Polson Higgs Team

