



CooperAitken BalanceSheet

August 2021



ALERT LEVEL 4
UNTIL 11.59PM ON FRIDAY 27 AUGUST

Included this month;
Business Financial Support; Wage Subsidy; Leave Support Scheme; Short-term absence payment;
Resurgence Support Payment; Small Business Cashflow | Filing returns and paying tax
Mandatory Recordkeeping | Level 4 Services | Return to Level 3 and Level 2

BUSINESS FINANCIAL SUPPORT



COVID-19

Applications for the wage subsidy, resurgence support payment, leave support payment, short-term absence payment and the small business cashflow loan are all open now.

The wage subsidy, leave support payment and short-term absence payment are all employee payments available and you cannot get more than one of these payments for the same employee at the same time.

This differs to the resurgence support payment which is a payment to business owners to help them meet business costs. You can apply for both the RSP and an employee payment.

The small business cashflow loan (SBCL) is a one off repayable loan available to meet business costs also. These support packages are explained further below:

WAGE SUBSIDY

Applications are open for two weeks.

The payment will cover a two week period at the rate of:

- \$600 a week for each full-time employee retained (20 hours a week or more)
- \$359 a week for each part-time employee retained (less than 20 hours a week)

It is important that you first read the declaration before applying for the wage subsidy. Important points included in the declaration are:

- Your business meets the revenue decline test which for a standard trading business means your business has had, or you are predicting will have, a **decline in revenue of at least 40%** over the period **17 August 2021 to 30 August 2021** that is attributable to the effect the move to Alert Level 4 on 17 August 2021 when compared to a typical 14-day consecutive period of revenue in the six weeks immediately prior to the move to Alert Level 4 on 17 August 2021.

- For **seasonal businesses** a drop of at least 40% over the same period compared to the same 14 consecutive days in 2020 or 2019
- You will **prepare and retain evidence** to support this declaration including the drop in revenue
- Use your best endeavours to **pay at least 80 per cent** of each named employee's ordinary wages or salary and pay at least the full amount of the subsidy to each named employee
- You will **not make any changes** to your obligations under any employment agreement, including to rates of pay, hours of work and leave entitlements, **without the written agreement** of the relevant employees
- You will discuss this application with the named employees and **obtain consent** from them – [employee privacy statement found here](#).

[For the full declaration details, please read here.](#)

[APPLY FOR THE SUBSIDY HERE](#)

LEAVE SUPPORT SCHEME

The leave support scheme is for employees who must self-isolate and cannot work from home. This payment provides a two-week lump sum payment.

The Leave Support Scheme is paid as a 2-week lump sum per eligible employee and is paid at a flat rate of:

- \$600 a week for full-time workers who were working 20 hours or more a week
- \$359 a week for part-time workers who were working less than 20 hours a week

[MORE INFO HERE](#)

SHORT-TERM ABSENCE PAYMENT

The short term absence payment provides a one-off payment for workers who must miss work due to a COVID-19 test and cannot work from home.

This is a one-off payment of \$359 for each eligible worker. You can only apply for it once, for each eligible worker, in any 30-day period.

[MORE INFO HERE](#)

RESURGENCE SUPPORT PAYMENT (RSP)

To be eligible, a business or organisation must have experienced at least a 30% drop in revenue or a 30% decline in capital-raising ability over a 7-day period, due to the increased COVID-19 Alert level. This decrease in revenue or capital-raising ability is compared with a typical 7-day revenue period in the 6 weeks prior to the increase from Alert level 1. More information here.

The payment you will receive will be the lesser of:

- \$1,500 plus \$400 per full-time equivalent (FTE) employee, up to a maximum of 50 FTEs
- Four times (4x) the actual revenue decline experienced by the applicant.

[APPLY FOR THE RSP HERE](#)

SMALL BUSINESS CASHFLOW SCHEME (SBCS)

This scheme supports small to medium businesses and organisations struggling with a loss of actual revenue due to COVID-19. Applications are open until 31 December 2023.

- The maximum size of the loan your business or organisation is eligible for depends on the number of full-time equivalent employees (FTEs) employed. The loan amount is \$10,000 per firm, plus \$1,800 per FTE.

If you need help applying for any of the support payments, please get in touch.

COVID-19

FILING RETURNS AND PAYING TAX

We know it may be challenging for many of you to complete and file your returns during this time. Our staff are willing and able to help you ensure your returns are filed at the IRD on time so please reach out if you need help.

If COVID-19 has impacted a business's ability to pay tax on time, a request can be submitted for remission of penalties and interest and there is the option of setting up a payment arrangement with the IRD to pay off any tax owing over time.

Get in touch with our team today to discuss your options.

MANDATORY RECORD KEEPING

As you will be aware all businesses and services, workplaces, and public transportation operators are already legally required to display a NZ COVID Tracer QR code poster. Have you got yours? [You can apply for one here](#) or contact our team to apply for one today.

In addition to this the government announced this week that mandatory record keeping ie. scanning or manually signing in will now become compulsory at all alert levels for some businesses.

The government has indicated busy places or events will have to comply and have listed that hairdressers, restaurants and beauticians are among those businesses that will fall into this category.

Relevant businesses and events will be responsible for having systems and processes in place to ensure, as far as is reasonably practicable, that customers or visitors make a record at all alert levels.

This rule will come into effect seven days after any change in alert levels so businesses have time to get it.

Have you got a plan in place to do this? If not, get in touch and we can help you.

LEVEL 4 SERVICES

We are seeing some businesses operating at level 4 where they have not previously been allowed to. If you are unsure if you are able to operate at level 4, [please review this information here](#).

If you wish to discuss your business and whether you qualify to operate at level 4 get in touch today.

RETURN TO LEVEL 3 AND LEVEL 2

Whilst we do not know when we will be exiting alert level 4 we can plan for a drop in alert levels to ensure that we have an operational plan at all alert levels. A lot of businesses successfully operated at level 3 and level 2 in the past so now is the time to start thinking about how your business will operate at these levels safely.

So what worked well last time and what didn't? Get a plan in place now so you can move quickly and become operational as soon as possible once alert levels are dropped.

If you want some advice on how to operate safely at lower alert levels or to brainstorm some alternative ways of operating get in touch today.

[A reminder of the rules of operating at level 3 and 2 can be found here.](#)

WE ARE STILL HERE.

Our team are still here to support you.

While our co-workers look a little different, we're business as usual, from our bubbles at home.

Please get in touch with anything you need.

Morrinsville 07 889 7153 | Matamata 07 888 8002 | Thames 07 868 9945



SHOP LOCAL

OUR COMMUNITY DEPENDS ON IT

YOUR LOCAL SHOPS AND BUSINESSES NEED YOUR SUPPORT.

