



Memo

To: All Business Clients
From: Gregory Barford
Date: 3/16/2020
Subject: Financial Tips for Coronavirus

We are going through a potential temporary business disruption brought on by the Coronavirus. Most businesses will be affected by this and it is important to have a plan in place to minimize the financial impact on your business. We cannot rely on the government to bail out small businesses. There is no need to panic, we as business owners must be proactive. Below are key recommendations to follow:

Slim down your business. Cut expenses to keep the business operating and serve your customers. This may mean temporarily laying off employees, reducing advertising, and modifying your hours if needed.

Prioritize the cash. Only pay vendors that you need to keep your door open. At the same time, be proactive in talking to your vendors about your business plans.

Use your line of credit from your bank now. As a precaution, take a cash advanced of 50% or more from your line of credit from your bank now. Deposit the cash into a checking account to use as needed. If possible, the account should be at a different bank than where your line of credit is. *Never run out of cash, businesses do not go out of business because they are not profitable, they go out of business because they run out of cash.*

Use credit cards. Use your credit cards to pay key expenses. Only pay the minimum balance owed on the credit cards to preserve cashflow.

Please feel free to contact us.

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