

PREPARING FOR BREXIT

A 15 POINT ACTION PLAN FOR SMEs

The UK left the EU at 23:00 GMT on Friday 31 January 2020. The transitional period ends on 31st December 2020. From 1st January there are key things that SMEs need to have in place to ensure they can continue to trade and to protect their business. This 15 point action plan alerts you to the key considerations.



1 Complete a cashflow forecast

The economic consequences of Brexit are unclear and will depend on the free trade agreements that the UK can negotiate with the EU and other key trading partners. Businesses need to plan ahead and think about how they could deal with further economic uncertainty which might affect sales, the collection of debtors or inventory levels. You may need more cash to hand to ensure you can continue to make payments on time and meet your contractual obligations.



Does your business import or export goods?

2 Make sure the classification of your goods (tariff/commodity code) are correct.

3 Use the government trade tariff tool to look up commodity codes, duty and VAT rates.

4 Ask HMRC for help to classify your goods. Apply for a legally binding tariff information decision.

5 Ensure your company is registered for both imports and exports. Apply for your EORI.

6 If you already have an EORI: Check your EORI, does it start with 'GB'? If not, apply for a new one.

7 Be ready for the new customs paperwork. Speak with your customs broker or import-export agent or look at setting up your business to make declarations internally.

8 Check the new UK tariff for imported goods. The UK will apply a UK-specific tariff to imported goods.



9 Taxes and insurance. Brexit impacts import VAT, insurance and VAT registration. Check the detailed HMRC, ABI and UK Government guidance to see what steps you need to take.



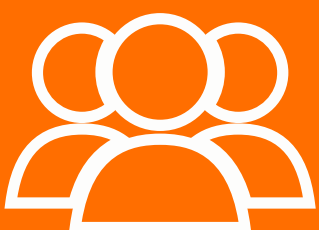
10 Data protection & GDPR. The EU GDPR will no longer be law in the UK. Check the ICO checklist of six steps that businesses can take to prepare in the event of no-deal.

11 Intellectual Property (IP). If you have trademarks or other IP, check with your solicitor or IP adviser to ensure you will be protected from 1st January 2021.



12 Conduct a review of all your contracts inc. terms of business and payment terms as some terms may no longer be relevant or may raise legal or practical questions.

13 Existing employees of UK companies who are EU nationals need to apply for settled status.



14 If you employ UK nationals living in the EU/EEA/Switzerland check the government guidance on what steps you need to take.

15 If you have staff who travel to the EU for work, check the travel and visa requirements for the EU.