



# COVID-19: How can PwC help? A focus on SMEs

July 2020

The outbreak of the novel virus Covid-19 has a great impact on small businesses, especially in developing countries. SMEs in Nigeria have had to deal with anxiety over uncertainties that might exist after the crisis, challenges with cash flow, customer retention, and disruption in essential operation processes.

As the government and economy adapt to the impact of Covid-19, SMEs must implement strategies to help secure firm footings and prepare for post-COVID economic conditions, the future of work, and long-term sustainability.


We understand the needs of small businesses and the role they play in economic development. Our SME desk is an initiative designed to support SMEs – from adoption of new strategies for long term sustainability to business recovery process implementation. We also work with SMEs to be investor ready. We prioritise giving small businesses a greater chance to succeed even within a difficult environment.

Beyond the traditional challenges common to most small businesses – cost optimisation, delayed customers' payment, multiplicity of taxes, poor record keeping, funding and low digital capability which impact operating costs and appears unaffordable with COVID-19, we help small businesses grow in different areas of need.

Our COVID-19 impact assessment tool for small businesses is a self-administered diagnostic toolkit for small business owners. The toolkit is designed to help SMEs identify their main business challenges and most importantly the impact of COVID-19 on their business. This is also necessary for the right set of solutions to be proffered. The diagnostic toolkit is accessible on the SME desk page of our website.



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Federal and state governments, deposit money banks, multinationals among several others have rolled out different palliatives for small business owners. The palliatives however come with different requirements which some SMEs are unable to meet in view of their current operating model. Interestingly, most SMEs have what it takes to take advantage of these palliatives but their priority to scale-up customer-based and generate revenue often mean less focus on other key areas of the business. Hence, keeping proper records of business transactions, tax compliance, financial statement audit, properly structuring the business, online visibility, liquidity/cashflow management, business continuity and in some cases registration with CAC are reasons why many SMEs are unable to meet prescribed conditions for credit, investment and palliatives. As a firm, we leverage on our societal impact initiative to help SMEs sustain their growth without compromising any statutory or regulatory requirement.

With or without COVID-19, businesses need to effectively manage their finances. Where practicable, costs should be kept to the barest minimum to achieve a sustainable growth. Our outsourced accounting and tax compliance services are designed to optimise the cost of these services in-house. Dedicated finance business partners and tax advisors are assigned to different clients with the objective of looking beyond financial performance. They are responsible for maintaining your records on the system, generating your management report and financial statements, ensuring you are taking advantage of applicable tax laws, discussing business performance, exposing you to opportunities within and outside our network among others. Where we discover you are potentially ready for investment, we would have our subject matter experts engage you.

Just like multinationals, small businesses should have well-articulated policies and procedures for their operations. These should be up to date in line with changes in the business environment. As part of our objective of streamlining the operation of our SME clients especially in the light of COVID-19, we help small businesses to design simple and bespoke policy and process manuals for their operations. Where this is properly communicated, it will result in new ways of work that align with leading practices.

Statutorily, financial statements are required to be audited with an opinion on its status of compliance with International Financial Reporting Standards, the Companies and Allied Matters Act Cap C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011. In most cases, audited financial statements are required for eligibility to attract funding and investment opportunities. Our private client (PCS) team helps small businesses with their financial statement audit using ISA simplified audit methodology. We have a dedicated team within our SME desk to assist in the preparation of financial statements and audit of small businesses.

Our SME desk is a societal impact initiative to support small businesses and the role they play in the economy. It is one of the ways we are helping to build trust in society and solve important problems. We do this by giving small businesses a greater chance to succeed even in a difficult environment. See attached flyer on how to become one of our SME clients or visit <https://www.pwc.com/ng/en/services/sme-helpdesk.html> for more details.

**Running a small business is challenging and sometimes it can be overwhelming, so having the right adviser by your side is invaluable.**



# PwC's SME Desk

Helping your business grow



**SME Desk** is a PwC Nigeria social impact initiative to support small businesses and the role they play in the economy. It is one of the ways we are helping to build trust in society and solve important problems by giving small businesses a greater chance to succeed under an often difficult environment.

## What you stand to gain as an organisation for partnering with us:

- Subject matter experts to facilitate SME focused workshops
- Grow your customers' businesses and attract them to funding
- Expand your SME customer base
- Partner with you to organize SME health check

Our dedicated SME Desk advisers are on hand to provide insights, advice and support on a range of areas including:

### Finance and Accounting

- General ledger clean-up
- organisation reconciliation
- Book-keeping using accounting software
- Management reporting
- Statutory reporting

### Tax compliance

- Tax registration
- Tax computation
- Income tax filing
- VAT & PAYE returns
- Tax Clearance Certificate
- Discounted Tax academy training

### Assurance

- Statutory Audit
- Other Assurance Services

### General Business advisory

Access to a dedicated PwC advisor to meet with you and work through your plans, such as budgets, forecasts, interpretation of your financial statements and attracting investment

**We look forward to each new partnership, helping businesses as they try to change the world or at least leave their mark on it.**

# Contacts

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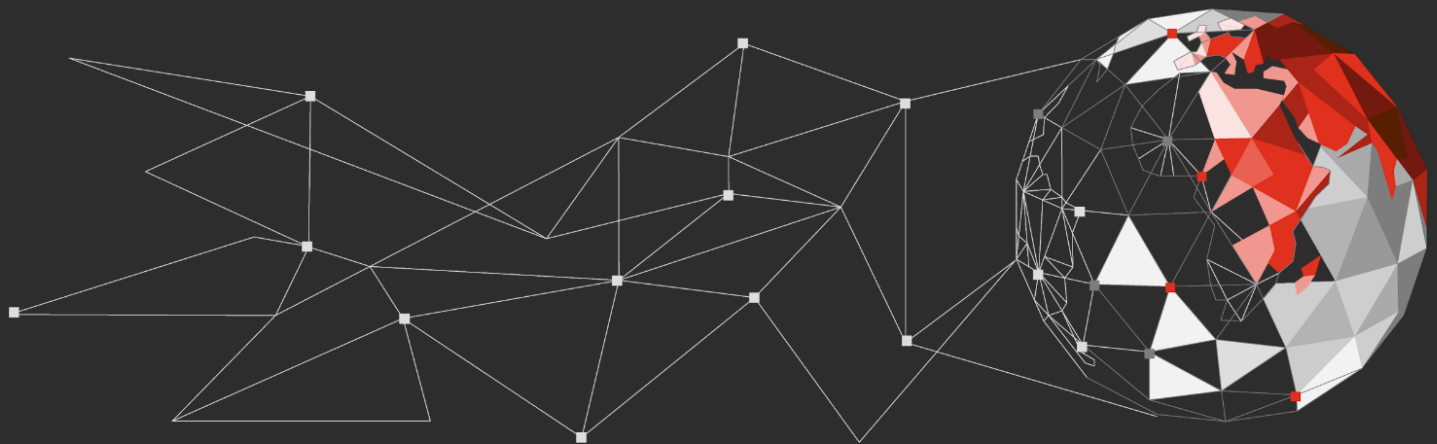
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[www.pwc.com/ng](http://www.pwc.com/ng)

As part of our PwC Cares COVID-19 intervention, we have set up a Knowledge Hub with insights to support businesses and governments in their response to the impacts of COVID-19

Visit our COVID-19 Content Hub at [www.pwc.com/ng/covid-19](http://www.pwc.com/ng/covid-19)

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Access COVID-19 Resources on PwC Nigeria's Tax 247 Mobile App available on both Google Play Store and the Apple App store

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