


Cash Flow & Financial Management Strategies

Family First

Canada Emergency Response Benefit

Coronavirus disease (COVID-19)



! Only apply for the CERB through either Service Canada or the Canada Revenue Agency (CRA) – **not both.**

What is the Canada Emergency Response Benefit

If you have stopped working because of COVID-19, the Canada Emergency Response Benefit (CERB) may provide you with temporary income support. The CERB provides \$500 a week for up to 16 weeks.

Who is eligible

The Benefit is available to workers:

- Residing in Canada, who are at least 15 years old;
- Who have stopped working because of reasons related to COVID-19 **or** are eligible for Employment Insurance regular or sickness benefits **or** have exhausted their Employment Insurance regular benefits or Employment Insurance fishing benefits between December 29, 2019 and October 3, 2020;
- Who had employment and/or self-employment income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and,
- Who have not quit their job voluntarily.

When submitting your first claim, you cannot have earned more than \$1,000 in employment and/or self-employment income for 14 or more consecutive days within the four-week benefit period of your claim.

90 days

Cash Flow Management

- Lack of cash flow is the main cause of small business failure.
- Cash flow management is your responsibility.

Update your **Cash Flow** forecast and create new budgets.

Cash Flow Forecast													
Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Cash Inflow													
Cash from sales													\$0.00
Cash from receivables (30days)													\$0.00
Cash from receivables (60days)													\$0.00
Owner's Loan													\$0.00
Bank Loan													\$0.00
Other Loans													\$0.00
Total Cash Inflow	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Outflow													
Accounting fees													\$2.00
Marketing and advertising													\$2.00
Gas													\$2.00
Telephone													\$2.00
Utilities													\$2.00
ASSET INCOME EXPENSES													\$2.00
ASSET INCOME EXPENSES													\$2.00
ASSET INCOME EXPENSES													\$2.00
ASSET INCOME EXPENSES													\$2.00
Total Cash Outflow	\$8.00	\$0.00	\$0.00	\$4.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.00	\$0.00	\$0.00	\$4.00	\$8.00
Cash Flow Surplus / Deficit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Opening Bank Balance	\$2.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Closing Bank Balance	\$2.00	\$0.00	\$0.00	\$4.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.00	\$0.00	\$0.00	\$4.00	\$8.00

Make an appointment with your bank & other financiers.

The creation of a \$25 billion **Canada** Emergency **Business** Account program will give **Canada's small business** access to government-backed **bank** loans of up to \$40,000, interest free for the first year, of which \$10,000 will be forgivable.



Support for entrepreneurs impacted by the coronavirus COVID-19

As the COVID-19 outbreak unfolds, we know these are challenging times for you and your business. The current situation is putting pressure on your cashflow, supply chains, and people.

What financing programs are available through BDC?

- Working capital loans of up to \$2 million with flexible repayment terms such as principal postponements for qualifying businesses;
- Reduced rates on new eligible loans;
- Flexible repayment terms, such as postponement of principal payments for up to 6 months, for existing BDC clients with total BDC loan commitment of \$1 million or less;
- ***NEW*** The **Small and Medium-sized Business Loan and Guarantee program** will help Canada's financial institutions provide additional credit and liquidity options, backed by BDC and EDC, that Canadian businesses need immediately to meet their operational cash flow requirements.

Scotiabank.

Here to help in even more ways

Canada has heightened its response to COVID-19 in recent days. From coast to coast, individuals, organizations, and all levels of government are working together to minimize impact on our communities. To underscore the need to work together for the good of Canada and Canadians, politicians from all parties have approved a historic aid package to stabilize the economy and assist those most affected by the pandemic. Unprecedented relief measures for unprecedented times.

At **Scotiabank**, we are also doing our part, steadfastly focused on ensuring the people we serve and those we employ remain safe and secure. To that end, we have further updates to share about how we're supporting our customers and our team through the coming days. To give you a bit more certainty during these uncertain times.

Help for small business owners

Small business owners are among those hardest hit by COVID-19. **Scotiabank**, together with other leaders in the banking community, has been consulting with

The Canada Emergency Business Account is now available.



Get access to a \$40,000 limited-time, interest-free loan for small businesses.

What is CEBA?

CEBA is a government-guaranteed loan of \$40,000, designed to help small business owners meet their immediate cash flow needs. To be eligible, businesses must have paid between \$50,000 and \$1,000,000 in payroll for 2019.

Key details include:

- 0% interest until December 31, 2022.
- No principal payments until December 31, 2022.
- Principal repayments can be made voluntarily at any time, without fees or penalties.
- \$10,000 loan forgiveness is available, provided \$30,000 is paid back on or before December 31, 2022.
- If any part of the balance is not paid by December 31, 2022, the remaining balance will be converted to a three-year term loan at 5% annual interest, paid monthly, effective January 1, 2023.
- The full balance must be repaid no later than December 31, 2025.

More information about CEBA, eligibility requirements, and other relief efforts for business are available on our Business Banking Support page.

[Learn more](#)

Save for later

Continue banking



Personal Small Business Commercial Investing About TD

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Canada Emergency Business Account (CEBA)

Coming soon: CEBA will provide qualifying businesses with access to a loan up to \$40,000 to help with your most pressing needs. Once available, applications will only be accepted online. Please return here for more information as it becomes available.

- Requires an active business bank account as of March 1, 2020
- Interest rate at 0% until Dec 31, 2022
- No minimum monthly principal payments until December 31, 2022
- Loan forgiveness up to \$10,000 provided balance is fully paid on or before Dec 31, 2022

Loan Guarantee for Small and Medium Businesses

Export Development Canada's Business Credit Availability Program Guarantee provides working capital to help sustain operations impacted by COVID 19.

Eligibility requirements to apply for this relief program through TD include:

- Canadian based business (new and existing TD customers)
- Must be a net-new funding
- Attest that the proceeds will be used to sustain operations
- Up to \$6,250,000 in financing available

Details are still being finalized and information on how to apply will be updated shortly. We appreciate your patience.

Business Development Canada (BDC) Co-Lending Program

The Co-Lending Program brings the BDC together with TD, to co-lend term loans to Small and Medium businesses to help with operational cash flow requirements. Eligibility requirements include but are not limited to:

- Having an existing business banking debt relationship at TD
- Differing maximum finance amounts based on business revenues
- Up to 12 months interest only

Details are still being finalized and information on how to apply will be updated shortly. We appreciate your patience.

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Canada Emergency Business Account frequently asked questions

What is the Canada Emergency Business Account?

On March 27, the federal government announced additional measures to support businesses and not-for-profits. CIBC has been consulting with the government on these measures, designing them specifically to help small and medium-sized employers with their most pressing needs and position our economy to recover.

In particular, the Canada Emergency Business Account is an interest-free loan of \$40,000 for qualifying businesses. Up to \$10,000 of that amount will be eligible for complete forgiveness if \$30,000 is fully repaid on or before December 31, 2022.

Loan details

When is the loan available?

We are working hard to finalize full loan details and qualification criteria with the federal government. If you have your small address on file, we

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Close

Annual payroll of between \$20,000 and \$1.5 million

Cut overheads as much as possible.

Manage your inventory

Just in time.

Reduce inventory if required.



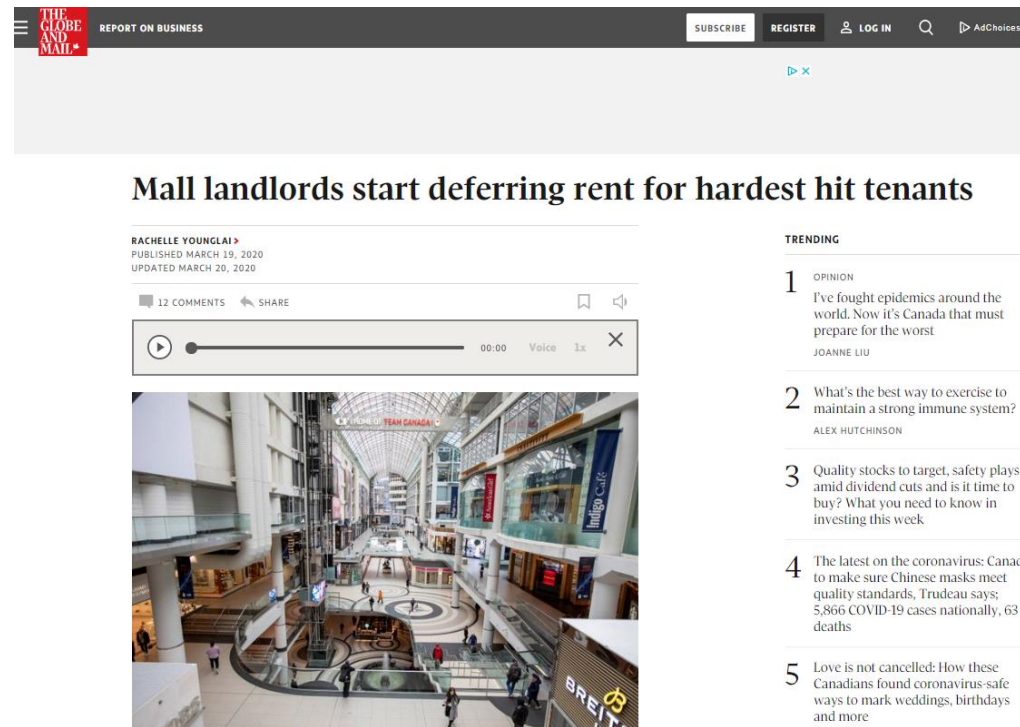
Manage your receivables

Follow up.

Manage your payables: Contact
your suppliers and ask for
payment extensions

Review your supply contracts to determine if you can cancel orders, or at least delay delivery

Contact your landlord and ask for payment extensions, possible rent reductions or variations to the lease.



The screenshot shows a news article from The Globe and Mail. The header includes the logo 'THE GLOBE AND MAIL', the section 'REPORT ON BUSINESS', and navigation links for 'SUBSCRIBE', 'REGISTER', 'LOG IN', and 'AdChoices'. The article title is 'Mall landlords start deferring rent for hardest hit tenants'. The author is 'RACHELLE YOUNGLAI' and it was published on 'MARCH 19, 2020' with an update on 'MARCH 20, 2020'. There are '12 COMMENTS' and a 'SHARE' button. A video player is embedded in the article, showing a still image of a mall interior. To the right of the article is a 'TRENDING' section with five items:

- 1 OPINION: I've fought epidemics around the world. Now it's Canada that must prepare for the worst. JOANNE LIU
- 2 What's the best way to exercise to maintain a strong immune system? ALEX HUTCHINSON
- 3 Quality stocks to target, safety plays amid dividend cuts and is it time to buy? What you need to know in investing this week.
- 4 The latest on the coronavirus: Canada to make sure Chinese masks meet quality standards, Trudeau says; 5,866 COVID-19 cases nationally, 63 deaths
- 5 Love is not cancelled: How these Canadians found coronavirus-safe ways to mark weddings, birthdays and more

Newsroom

Backgrounder

Ontario-Canada Emergency Commercial Rent Assistance Program

April 24, 2020 12:30 P.M. | [Office of the Premier](#)

The Ontario Government is committing \$241 million to partner with the federal government and deliver more than \$900 million in urgent relief to small businesses and their landlords through a new program, the Ontario-Canada Emergency Commercial Rent Assistance Program (OCECRA).

The OCECRA will provide forgivable loans to eligible commercial property owners experiencing potential rent shortfalls because their small business tenants have been heavily impacted by the COVID-19 crisis.

How does the program work?

The program has been developed to share the cost between small business tenants and landlords. Small business tenants and landlords would each be asked to pay 25 per cent of the before profit costs and the provincial and federal government would cost share the remaining 50 per cent.

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Related News

[Ontario Provides Urgent Relief for Small Businesses and Landlords](#)

1. The landlord forgoes 25 per cent of rent).
2. Small business would be responsible for paying 25 per cent
3. Government would cover the remaining 50%

- Monthly rent not exceeding \$50,000,
- A non-essential small business that has temporarily closed, or who is experiencing a 70 per cent drop in pre-COVID-19 revenues

Identify new sources of revenue

 **Government of Canada** / **Gouvernement du Canada**

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MENU ▾

Home > Business and industry > Maintaining and growing your business

Call to action: Canadian manufacturers needed to help combat COVID-19



If you are a Canadian manufacturer or business that can assist Canada in meeting the need for medical supplies, your help is needed.


If you can say yes to the following, we want to hear from you.

- You manufacture in Canada and/or have ready access to necessary inputs through your supply chain.
- You have equipment or facilities that can be rapidly re-tooled to meet medical needs, including for personal protective equipment (PPE) such as gloves, masks and surgical gowns; sanitizers; wipes; ventilators; and other medical equipment and supplies.
- You have skilled workers who are able to respond and who could be available for work in the current circumstances.

The [Plan to Mobilize Industry to fight COVID-19](#) directly supports businesses to rapidly scale up production or re-tool their manufacturing lines to develop products made in Canada that will help in the fight against COVID-19.

We are stronger when we work together.

[My business wants to help](#)

 **shopify**

COVID-19 RESPONSE

We're with you.

Business owners like you are the heart of Shopify, and we always want to do everything in our power to support you. Read on to learn about the actions we're taking, get answers to your questions, and access resources to help you navigate your business during this challenging time.

Together, we'll make it through.

Get updates and resources on how independent businesses are navigating COVID-19

[Get updates](#)

How we're helping

Gift cards for all plans and customers

Give customers a way to support you now, while freeing up cash flow by offering gift cards. We're making [physical and digital gift cards](#) available on all new and existing Shopify plans.

\$200 million in small business funding

Weather these challenging times with access to funding with [Shopify Capital](#). We're working with governments to make our capital offerings available in more countries as soon as possible.

Community support

Connect with fellow business owners and get support in our [COVID-19 community forum](#).

Local pickup and delivery

Flatten the curve, while getting products into the hands of your local customers. If you can drop off orders, [create a local delivery option](#) only visible to customers who live in that zone. Brick and mortar retailers using Shopify POS will have the opportunity to offer customers [in-store/curb-side pick up for online orders](#).

Extended 90-day free trial

Take the time you need to move your retail store online, or build a new online store. We're offering a [90-day free trial](#) for all new customers. If you're currently on a 14-day trial, you can extend it to 90 days.

Live webinars

We're bringing our [community together online](#), with weekly virtual programming designed to help your business through these uncertain times.

Ontario  Search Ontario.ca [contact us](#) | [français](#)

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Supply emergency products to help fight Coronavirus

Fill out this page to tell us what products your business can supply for COVID-19.

You may submit this form more than once to tell us what you have.

Our product needs may change, please check back regularly.

These products are the ones we need most. If you have other items or ideas submit a proposal.

We need supplies

If your business or organization can provide medical products such as ventilators, swabs, masks and eye protection:

[Tell us what you have](#)

The Government of Canada also needs products and services

[Find out what they need](#)

Delay your tax payments



Government
of Canada

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Deferral of Sales Tax Remittance and Customs Duty Payments

In order to provide support for Canadian businesses during these unprecedented economic times, the Government is deferring Goods and Services Tax/Harmonized Sales Tax (GST/HST) remittances and customs duty payments to June 30, 2020.

This measure could provide up to \$30 billion in cash flow or liquidity assistance for Canadian businesses and self-employed individuals over the next three months.

GST/HST Remittance Deferral

The GST/HST applies to sales of most goods and services in Canada and at each stage of the supply chain. Vendors must collect the GST/HST and remit it (net of input tax credits) with their GST/HST return for each reporting period.

Vendors with annual sales of more than \$6 million remit and report monthly, and those with annual sales of \$1.5 million to \$6 million are able to remit and report on a quarterly basis (or monthly if they choose to). Small vendors can report annually.

The GST/HST amounts collected are generally due by the end of the month following the vendor's reporting period: e.g., for a monthly filer, the GST/HST amounts collected on its February sales are due by the end of March.

To support Canadian businesses in the current extraordinary circumstances, the Minister of National Revenue will extend until June 30, 2020 the time that:

- Monthly filers have to remit amounts collected for the February, March and April 2020 reporting periods;
- Quarterly filers have to remit amounts collected for the January 1, 2020 through March 31, 2020 reporting period; and
- Annual filers, whose GST/HST return or instalment are due in March, April or May 2020, have to remit amounts collected and owing for their previous fiscal year and instalments of GST/HST in respect of the filer's current fiscal year.

Businesses in need of information about their particular obligations may contact the Canada Revenue Agency or refer to its website.

Deferral of Sales Tax Remittance and Customs Duty Payments

We will allow businesses, including self-employed individuals, to defer until June 30, 2020 payments of the Goods and Services Tax / Harmonized Sales Tax (GST/HST), as well as customs duties owing on their imports.

Canada

- Wage subsidy: 75% wage subsidy for qualifying businesses, for up to 3 months, retroactive to March 15, 2020.
- Emergency benefit: Taxable benefit of \$2,000 a month for up to 4 months to workers who must stop working due to COVID-19 and do not have access to paid leave, those who are sick with COVID-19, those taking care of a sick family member, and self-employed individuals, including contract workers.
- Interest-free loans: Up to \$40,000 in interest-free loans to small businesses and not-for-profit companies.
- Defer tax filing: Businesses can defer the payment of any income tax amounts that become owing on or after today and before September 2020. The government will defer GST, HST, and customs duties until June 30, 2020.
- Small Business Loan: Low-interest loans up to \$2 million if your business has been generating revenues for at least 24 months.
- Purchase order financing: Cover up to 90% of the purchase order amount to ease cash flow to your suppliers.
- Provincial:
 - British Columbia: A one-time \$1,000 payment if you've lost income because of COVID-19.
 - Saskatchewan: Three-month deferral to remit PST
 - Quebec: Low-interest loans and loan guarantees of at least \$50,000
 - Nova Scotia: Defer payments until June 30 for all government loans and small business renewal fees

<https://www.shopify.com/blog/small-business-government-relief-programs>

Ensure that your financials
are up-to-date.

Balance Sheet

Income Statement

Credit Check

Discuss options with your employees



Canada Emergency Wage Subsidy (CEWS)

As a Canadian employer whose business has been affected by COVID-19, you may be eligible for a subsidy of 75% of employee wages for up to 12 weeks, retroactive from March 15, 2020, to June 6, 2020.

This wage subsidy will enable you to re-hire workers previously laid off as a result of COVID-19, help prevent further job losses, and better position you to resume normal operations following the crisis.

Sections

- [Who is an eligible employer](#)
Determine your eligibility for the Canada Emergency Wage Subsidy (CEWS)
- [Determine your eligible employees](#)
Determine which employees are eligible for the Canada Emergency Wage Subsidy (CEWS)
- [Calculate your subsidy amount](#)
Use our calculator to find out how much your wage subsidy may be
- [How to apply](#)
When and how to apply for the subsidy, and follow-up actions
- [Contact the CRA](#)
How to contact the CRA about the Canada Emergency Wage Subsidy (CEWS)

Cash Flow Forecast

Develop a cash flow forecast

Update it regularly

Numbers You'll Need For Your Forecast

- **Sales forecast**

- Be conservative and realistic.
- Use previous year's numbers as a guide.
- Take seasonal fluctuations into consideration.

- **Cost of sales forecast**

- What percentage of your sales will make up cost of sales?
- Base this on previous year's figures and industry averages.

Numbers You'll Need For Your Forecast

- **Operating expenses**

- Use previous year's numbers as a guide
- Don't be too conservative
- Add a contingency

- **Assets and other purchases**

- Include any other payments to plan to make

Cash Flow Forecast

Summary

- Family first.
- 90 Days.
- Reduce your overheads, create a budget and cash flow forecast.
- Meet with your bank, seek other sources of funding and government support.
- Manage your receivables and payables.
- Contact your landlord.
- Defer your taxes.
- Don't give up.

Thank You