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BUSINESS ADVICE NEEDED TO RESTORE GROWTH, WARN ACCOUNTING BODIES

Australia's major professional accounting bodies CPA Australia and Chartered Accountants Australia and New Zealand have called for the Government to give businesses better access to the advice they need to recover from the impact of COVID-19 through a voucher system.

In a joint response to the Senate Select Committee on COVID-19, the joint bodies – which together represent over 200,000 accountants – warn that businesses, especially small businesses, need to obtain advice on their viability once stimulus measures end in late September.

Recent ABS data shows that 59 per cent of small businesses sought external advice in response to COVID-19, with accountants, lawyers and banks being the most popular source of advice.

But with many businesses experiencing cash flow difficulties and declines in revenue, some may not be able to afford much-needed professional advice.

“Accountants have worked hard over the past few months to assist struggling businesses to access stimulus measures,” said the joint bodies.

“Current stimulus measures give small businesses three short months to get themselves in order and begin the recovery process.

“This means business owners must now start considering how they will operate after the financial lifeline provided by the Government ends.

“For most this will mean recovery in some form, but for others it might mean business closure and it is far better for the owner, employees and the broader economy to take action early.

“Now is not the time to assume businesses are in the clear and to take our eye off the support needs of small business.

“Businesses have a short window in which to revitalise their operations with professional advisers playing a key role in determining the best course of action to create jobs, identify efficiencies and restore growth.

“With cash flow tight, many businesses may not seek out advice, imperilling their future.

“Government support for business to engage professional advisers will enable innovation and new practices, allowing businesses to regain their momentum and look to the future.

“To encourage small businesses to ask for much-needed help, we propose the Government provide them with a voucher that they can redeem for professional advice.

“Now, more than ever, businesses need professional advice to see them through this crisis.

“Most businesses have sound business models and significant potential, so it is essential that the Government provides support to ensure that they remain viable and are able to successfully navigate the coming months.”

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