

## **Written evidence submitted anonymously**

### **Effect of Covid-19 and government actions on my business**

#### **Company Profile**

My company consists of myself and one employee providing IT consultancy mainly to the private sector and we also are involved with developing educational software which is funded by the consultancy part of the business.

The main consultancy activities involving designing and building HR/Payroll solutions for medium to large enterprises and the focus for the past few years has been the oil & gas industries in the Middle East and Canada.

#### **Effect of Covid-19**

At the beginning of 2020, the business was doing very well with the prospect of 2-3 years of work to look forward to.

By mid-March the situation changed completely due to the pending lock down. My main client started to put all projects on hold which reduced the need for my company's services. The travel restrictions and actions of Middle East governments put a stop to all my projects. The jobs market completely dried up overnight with hundreds of consultants chasing what few opportunities were made public.

During April, the client only would fund 2 days per week

During May, the client would only fund 1 day per week. I had to put my employee on furlough which helped conserve company cash. Also, with the future looking bleak, I secured a Bounce Back Loan which enabled the business to survive albeit on debt but with no indication of when normality would be restored.

In June, the client only would fund one day and now with no revenue, the situation had gone from bad to worse. To compound the problem, due to poor timing, I missed the 10<sup>th</sup> June cut off date to furlough myself and up until end of October, have had to rely on the bounce back loan to survive.

The announcements for what was going to be provided from 1<sup>st</sup> November are welcome and a relief in that I can furlough myself and keep my employee on furlough until next year when hopefully, some normality gets back into the business environment, although I'm not expecting this to occur until April at the earliest. Should the situation continue or look like it will continue, I will be forced to close the business as the company cannot survive carrying forward excessive debt.

*November 2020*