

# Brexit: The Final Countdown



***BDO Northern Ireland's Sean Lavery discusses making preparations in the increasingly likely outcome of a 'no deal' Brexit.***

## **Deal or No deal**

The appointment of Boris Johnston as the UK's new Prime Minister in July 2019 was followed by a series of significant ministerial changes, including a new Chancellor of the Exchequer and a new NI Secretary of State. In his first few weeks as Prime Minister (at time of writing)

Boris Johnston has also been very clear that the UK must be prepared to leave the EU no later than on 31st October, even if that means leaving with a "no deal" Brexit.

We at BDO are therefore encouraging all local businesses to be as prepared as they can for a "no deal" Brexit on 31st October. Although a lot may happen between now and then, a no deal Brexit looks like much more of a possibility every day we move closer.

BDO understands that the Government will be focusing on leaving the EU on or before 31st October and prioritising appropriate "no deal" planning above all else, whilst, in parallel, still working "flat-out" to reach a new agreement with the EU. Each individual business must do the same to ensure they are in the best possible position when the UK leaves the EU.

## **Brexit Preparations**

The latest NI Chamber and BDO NI Quarterly Economic Survey results, launched 7th August, revealed that three-fifths, 62%, of NI Chamber members are preparing for Brexit. Whilst this statistic is encouraging, it was concerning to see that 22% are not and even more so when we delved into the reasons why, with those not making preparations for Brexit most likely to state that 1) they don't know what they are planning for 2) they don't think that Brexit will affect them and/or 3) they don't think it will happen. Furthermore, it was revealed that

the 6-month extension of Article 50 to 31st October has affected key business strategic decisions with around 14% putting exit plans on hold and 28% scaling back plans to "see what happens" in the intervening period.

## **Next Steps**

At BDO Northern Ireland, we encourage all businesses, particularly those that have not undertaken any planning to date, to start Brexit planning as soon as possible.

Moreover, many businesses who will have undertaken "no deal" planning previously i.e. in advance of 29th March will need to have these preparations reviewed as whilst much of that planning is still applicable in the event of a "no deal" on 31st October, it needs to be updated now as the business may be in a different business cycle, involve different personnel etc. When considering "no deal" planning, businesses should include possible ways of mitigating the effects of Brexit on their business, what assistance businesses may require financially or otherwise from Government and other sources post a "no deal" Brexit. BDO can help you in this planning.

At BDO we have a dedicated Brexit Taskforce who can assist you in all matters of Brexit preparation and take you through the individual steps in planning for the 31st October. Please contact our team on 02890439009 and visit our website at [www.bdoni.com](http://www.bdoni.com) for more information.

