

COVID-19: FOUR ESSENTIAL STEPS TO FORMULATING COVID-19 BUSINESS INTERRUPTION LOSSES



As business interruption losses continue to rise as a result of the COVID-19 pandemic, organizations of all sizes are turning to local and federal grants, insurance proceeds and other areas to help mitigate the financial impact.

Before doing so, it is vital to properly document and calculate losses. To help accomplish this, we've compiled a list of four essential steps to take:

STEP 1: **PREPARE YOUR BOOKS**

Set up a separate **General Ledger account** to capture specific COVID-19-related expenses outside of normal business expenses (this is a receivable account and does not flow to the P&L).

STEP 3: **TAP YOUR INNER CIRCLE**

Speak to your most trusted advisors to gain insights, guidance and perspective. This group should include your attorneys, CPAs, insurance brokers and risk management professionals, among others.

STEP 2: **ESTABLISH A BASELINE**

Look at your business' monthly P&L statements over the past two years to serve as a comparative baseline against the disruption period.

STEP 4: **STAY "IN THE KNOW"**

The current situation and landscape can change in a moment's notice. Set up alerts for relevant news outlets, blogs and websites to ensure you do not miss important updates. You should also closely monitor all state, local and federal actions that may impact your business.

QUESTIONS?

With over 75 years' experience, the experts at Quantum Global Advisors can provide strategic direction on what types of information you should be tracking and documenting and how we can help measure your potential business interruption loss.

[Contact Quantum Global Advisors today to learn more.](#)