

FACT SHEET: How to prepare your business for a Christmas close down

11 November 2022

LIKE IT OR NOT, CHRISTMAS IS ON THE WAY! IS YOUR BUSINESS READY?

Christmas happens every year. But each year, it has a habit of sneaking up on us all. So, now is the time to start preparing your business for a close down period.

And even if you are not intending to close over the holiday period, there are still some things that you will need to finalise before Santa arrives!

Here is a list of things we think you will find useful to prepare, so that you can enjoy your summer break without worry.

Make A Plan

The first step is to actually make a plan for what you are going to do over the Christmas period. Think about:

- Will you close your business or continue to operate?
- Will you operate with alternate or reduced hours?
- Will you have a skeleton staff or a full workforce?
- What products/services will you offer over this period?
- Do you currently have enough stock on hand?
- When will you reopen in the new year?
- Do you have the operating capital you need to get through the holiday period?



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Once you have answered these questions, you can start preparing the various aspects of your holiday plans. And that does not just mean which beach you will be spreading your towel out on!

Communicate with your team

Once you have decided on your plan for the holiday season, it is important that you communicate that to your team as soon as possible. This will allow them to make personal plans for the holiday season such as taking annual leave, rostering to work through or managing the logistics of possibly working different hours.

Advise your clients

After working out a plan with your team, it is time to notify your clients. They can then make provisions for the holiday season also. Communicate directly with your valued clients, but also publish the information on your website and social media pages. You can also update your operating hours in your Google business listing so that no one gets caught out.

Finally, think about the clients that you service regularly and whether you will have to reschedule deadlines or appointments over this time.

Build a budget

The holiday period traditionally means lower earnings for many businesses, so you want to make sure you are not going to be caught short. There are fewer “working days” in December and January, yet your wages, rent, insurance and other costs will remain constant.

Will you have enough money in the bank to cover those expenses?

The only way to know is to put together a budget. Note down your expected earnings and expenses

to see how the totals tally up. If you do not like what you see, explore whether you can increase your earnings before Christmas close down to compensate.

Ace your wages

We do not have to tell you that there are a LOT of public holidays over the Christmas period. And people traditionally tend to take annual leave at this time also. As a result, your payroll might be more complicated than usual.

You will want to make sure you have all the annual leave recorded correctly and that you are paying your team the correct amount for the public holidays. If this feels a bit overwhelming, then it is the perfect time to reach out to your bookkeeper for help.

No bookkeeper? No problem! You can source a fantastic bookkeeping option from our [national directory of ICNZB registered professionals here](#).

Collect in your funds

While you are planning your Christmas close down period, many of the other businesses across New Zealand will be doing the same thing! So, it is a good idea to try and collect as many of your outstanding payments as possible, before Christmas rolls around and they all close too.

Following up on invoices now can help to protect your cash flow over the holiday period. Try to send your November and December invoices out as early as possible to give people plenty of time for payment. And you may want to follow up with the invoices that are not yet due to ensure they are going to be paid on time.

(Yet another thing an ICNZB Bookkeeper can help you with – [find one here](#) >)

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Plan for gifts and celebrations

Christmas tends to be an expensive time of year, both personally and professionally. Now is the time to budget for end of year celebrations and gifts. You do not want to overspend, so take a practical look at what you can afford to spend on your gifting and celebration budget. Make your bookings and place orders early so that you can get the financial side squared away well ahead of close down (and without impacting your cash flow).

Make sure you have everything covered

It can be really easy to overlook things in the frantic lead up to Christmas, so it is always helpful to have an expert set of eyes to look over your financial prep. A bookkeeper can ensure you will end the year with tidy accounts and have all your financial bases covered.

So, if you don't yet have a bookkeeper, now is the time to get one sorted.

Browse our nationwide directory to find some of the best bookkeepers NZ has to offer. All certified and experienced, you can find the right fit for your business. [Head over to the Find A Bookkeeper directory now.](#)

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