

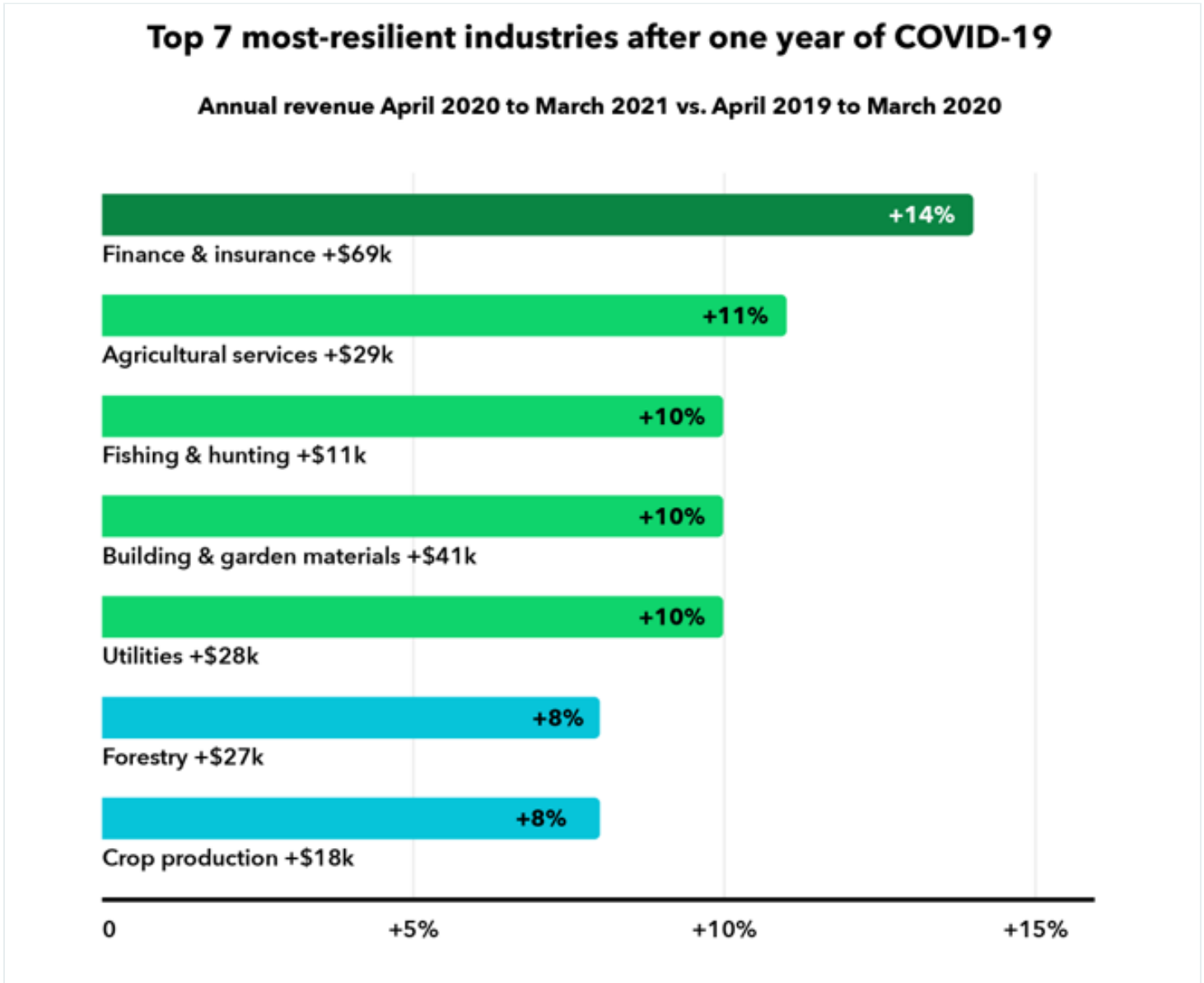
Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

## Financial Recovery

A new report by Intuit QuickBooks provides one of the most complete assessments available of the pandemic's impact on U.S. small business revenue and indicates U.S. small businesses are on the road to recovery from the financial losses experienced ...

May. 12, 2021



Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

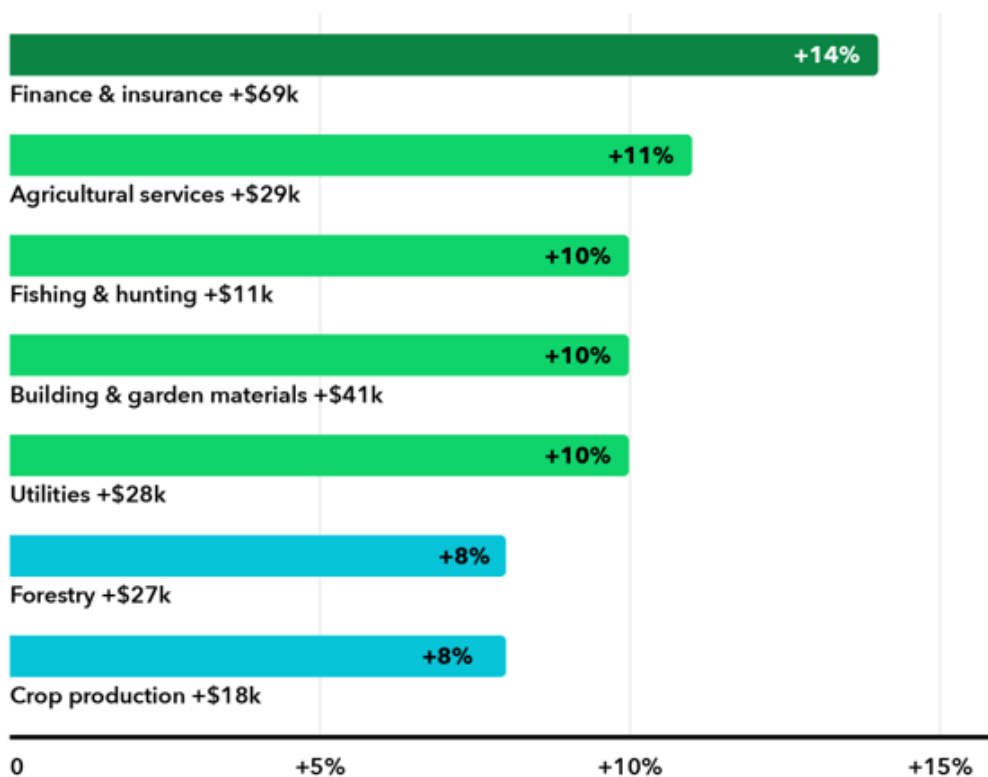
If you have any questions or need help you can email us

## Small businesses are recovering

COVID-19 has had a significant impact on the financial health of American small businesses. In fact, small businesses lost \$4.6 billion in monthly revenue in April 2020 alone, compared with their pre-COVID-19 revenue, according to the report. However, many have proved to be resilient. As of March 31, 2021, 61

### Top 7 most-resilient industries after one year of COVID-19

Annual revenue April 2020 to March 2021 vs. April 2019 to March 2020



“My clients are currently split in two camps: the ones who have been waiting for things to get back to normal and are hoping to serve their customers in the same exact way it was pre-pandemic, and the ones who proactively adapted and changed

their business model, or even reactively forced to adapt to survive,” said Hector

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Throughout 2020, the financial health of U.S. small businesses rose and fell in line with the pandemic, as states, counties, cities, and towns responded with varying stringent or lenient COVID-19 operational guidelines. As stricter regulations on how small businesses could operate were put in place, revenues fell; as regulations were lifted, small businesses saw opportunities to rebound. One year later, QuickBooks data reveals that even some of the hardest hit small businesses are experiencing a recovery.

- In general, businesses in high-density urban areas — especially on the east and west coasts — experienced a greater negative financial impact than those in rural areas. Brooklyn, New York, and San Francisco were among the worst-hit cities.
- Some of the biggest losses were in the recreation industry. For example, bowling alleys' annual revenues are down by 33% — a drop of more than \$250,000 per business — compared to before the pandemic.
- Home improvement and real estate businesses have been among the top performers over the past 12 months. At the end of March 2021, mortgage bankers' annual revenues were up by 30% compared to their pre-pandemic level — an increase of \$147,000 per business.
- In regards to accounting and tax services specifically, the report found that Accounting and bookkeeping firms experienced on average a 13% annual revenue increase, which translates into more than \$17,900 per business, by the end of March 2021 in comparison to pre-pandemic levels; and Tax return preparation services saw an uptick of 12%, or an average of more than \$18,000.

“During this last year, as the pandemic has brought unexpected changes, small businesses have needed Accountants more than ever,” said Ted Callahan, Accountant Business Leader at Intuit QuickBooks. “The community of accountants and

bookkeepers have worked tirelessly to solve their clients' business problems, build

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved