

A comprehensive service offering

At Paish Tooth we deliver an extensive range of tax and accounting services. Alongside our traditional compliance offerings, we provide expertise in all of the following areas:

- **Succession planning**
- **Wealth Management**
- **Financial Management**
- **Profit improvement**
- **Personal tax planning**
- **Business tax planning**
- **Xero Cloud accounting**
- **Auto-enrolment**

Please just ask if you wish to discuss any of these additional service options.

A friendly team of experts

Paish Tooth is a relaxed and friendly firm with a team of 15 staff. We've been offering expert accountancy and tax advice for over 30 years. Paish Tooth is regulated by the Association of Chartered Certified Accountants (ACCA), and we also practise as Chartered Tax Advisors, authorised by the Chartered Institute of Taxation. Our drive has always been to gain an understanding of every client we work with, so that we can offer the appropriate tailored support and practical advice. We're always keen to build up strong, effective partnerships with our clients and help them achieve their full business potential.




Get in touch!

Paish Tooth is conveniently based in Cheltenham town centre, a short stroll from the High Street, plus we have client car parking available. Please give us a call if you would like to arrange a meeting with one of the team - we'd love to hear from you!

Paish Tooth Ltd
35 Rodney Road
Cheltenham
GL50 1HX

Tel: (01242) 584050
Email: info@paishtooth.co.uk
Web: www.paishtooth.co.uk

Or why not join us on social media:

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-  /paish-tooth

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The Paish Tooth app will keep you on top of the latest news and tax changes, and is packed with useful tools including calculators, tax tables, financial dates, a receipt manager and mileage tracker.



 **paishtooth**
ACCOUNTANTS & TAX ADVISORS

Auto- Enrolment and Payroll



What is auto enrolment?

Auto enrolment is the new system of workplace pensions that the Government has introduced to encourage people to save for their retirement via the private sector.

Why is it necessary?

As a nation we are living longer and enjoying better health in old age. The state pension was first introduced in 1909 and from 2016 will be a new flat rate for all. In 2001 stakeholder pensions were the first attempt to involve employers in widespread, low cost private pension savings for all employees.

Who does it apply to?

The Government, via The Pensions Regulator, has made it a legal requirement for all employers with more than one worker to ensure that eligible jobholders become active members of a qualifying scheme set up with a pension provider.

Not all employees will qualify for auto enrolment; some may be eligible to opt in if they wish. It is vital that you assess your entire workforce.

What will it cost?

Auto enrolment requires contributions based on qualifying earnings. Currently it is 2%, with at least 1% from the employer. This will rise over time, so that from October 2018 the contribution will be 8%, with at least 3% coming from the employer.

When does it apply to me?

Larger employers have already gone through the process - now it is your turn. Your staging date is based on the number of employees on your payroll in April 2012. Employers with fewer than 30 employees at that date will generally stage between January 2016 and April 2017. Some small employers have been allocated an earlier date in June 2015, to be monitored as a test sample.

How do I avoid it?

You can't. Failure to comply can result in a fixed penalty fine of £400, and additional fines starting at £50 per day. In the last 3 months of 2014, The Pensions Regulator issued 166 fixed penalty fines.

What do I have to do?

Auto enrolment takes time to organise and you should start thinking about it now.

- 1 Find your staging date
- 2 Create a plan
- 3 Assess your workforce
- 4 Select a pension provider
- 5 Calculate contributions
- 6 Communicate with employees
- 7 Enrol employees and consider postponement
- 8 Register the scheme with The Pensions Regulator
- 9 Process contributions through the payroll
- 10 Keep records

How can Paish Tooth help?

Paish Tooth have joined forces with a local financial advisor so that we can help you through the whole process of auto enrolment, from selecting the right scheme, to advising on the level of contributions you need to make and for whom.

Not all pension providers are going to offer schemes, unless you meet their specific criteria. There are, however, several low cost schemes available. NEST, the Government scheme, will also exist as a default option.

There are many new terms to grasp - staging, jobholder, worker, qualifying earnings, postponement, opt out.... We can help you to understand what it all means for you and make sure you comply with the rules.

Every time you run a payroll, you will need to ensure all employees are assessed and individual pension contributions are calculated. The only way to do this efficiently is to have integrated payroll and pension software.

We run payroll services for many clients and have the software and systems in place to help you meet these obligations.

Remember that auto enrolment is not just a one-off exercise - it is going to be part of your payroll daily life from here on in.