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Q&A

WITH
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FCCA CTA



Employee costs set to rise....

Employers need to factor in the new pension rules for staff. Auto-enrolment has already started for small businesses.

Every employer will have to join a pension scheme and will be given a date that this has to be completed by, called a staging date.

The employees will contribute towards their pension and this will come out of their salary. To begin with employers will contribute up to 1%, but this will increase to 2% from October 2017 and 3% from October 2018.

Not every employee is entitled to be enrolled, however every employer must fulfil their duties and inform their staff of the changes that are on the way.

The employers exempt from Auto-Enrolment are those where the only employee is a single director or if there are multiple directors with either none, or only one of them, having a contract of employment. If this is the case then you can inform the Pensions Regulator that you have no duties to perform.

There are options open to employers, but most financial institutions are closing their doors to small employers. It is recommended that employers speak to both their financial adviser and accountant to understand the options available.

**To see how we can help you, please contact us on
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