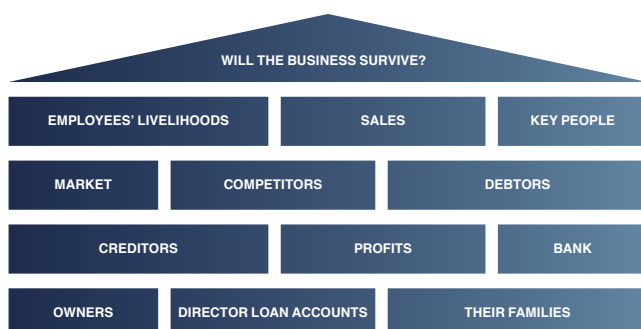


CORPORATE FINANCIAL PLANNING

PROTECT AND PROSPER

The loss of essential team members can be a major threat to your business future, but many companies fail to prepare proper business protection arrangements. A firm's owners and key staff members will always be its most important assets, and business protection is about safeguarding people and profits as part of your company insurance. Sound good? Here's a quick guide:

BUSINESS PROTECTION



“The business underpins everything. Is its future protected?”

BUSINESS RISK QUESTIONNAIRE

As part of our professional service and financial advice process, we help protect the future of your business. It's important to ensure you are protected from financial losses should you or key personnel die or be diagnosed with a terminal or critical illness.

| | |
|--|--|
| How many partners/directors/members are there in your business? <input type="text"/> | Do you have any key individuals who contribute heavily to your profits and the success of your business? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Do each of you have specialised roles within the business? <input type="checkbox"/> Yes <input type="checkbox"/> No | Have you protected against the loss of these key individuals in the event of death or a critical illness? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| How are the shares split between you all? <input type="text"/> | Would there be sufficient cash flow to maintain profits whilst a replacement is found/trained? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| How damaging to the business do you think it would be if one of you were to die suddenly? <input type="text"/> | Does the business have any unprotected loans or other types of business debt? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Do you have a succession plan in place if one of the directors/partners/members were to die? <input type="checkbox"/> Yes <input type="checkbox"/> No | Could these loans be easily repaid from cash flow? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Have you protected the value of your share if you were to suddenly die or be diagnosed with a critical illness? <input type="checkbox"/> Yes <input type="checkbox"/> No | Do you have any director loan accounts? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| What sources of finance would be readily accessible to fund the purchase of the available business share? <input type="text"/> | Have you taken out any protection to ensure the director loan accounts can be repaid upon death? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Would the surviving partners/directors/members wish to retain control of the business? <input type="checkbox"/> Yes <input type="checkbox"/> No | Are you aware that director loan accounts must be repaid to the shareholder's family in the event of their death? <input type="checkbox"/> Yes <input type="checkbox"/> No |

WHAT IS BUSINESS PROTECTION

DEBT / Business Loan Protection

The policy proceeds are used to help pay off any outstanding loans the business may have.

PROFIT / Key Person - Profit Protection

The policy proceeds are paid directly to the business to be used to help replace a Key Person and cover the loss of profits that may occur. The policy proceeds could help the business to continue trading.

OWNERSHIP / Share Protection

On the death of a business owner the policy proceeds are paid to the remaining owners to buy the share of the business from the deceased's estate.

FAMILY / Relevant Life Plan

A tax efficient single life Death in Service benefit for employees or directors of a business. The policy proceeds are paid to the trustees (employer) and the benefit is written under trust for the life of assured's beneficiaries.

WHY GROUP PROTECTION?

Group protection benefits employees and employers. Without employees, a business can't achieve its objectives, and group protection contributes to the bottom lines by offering key protections. It can help employers attract staff and help them back to work after illness, whilst also helping employees through illness or bereavement.

We all want to stay healthy and be able to support our families and dependants financially. You already know that insurance is a primary product for individuals, but putting protection into place in the commercial arena also makes good business sense.

With our experience and expertise in the group protection market, we are happy to work with you to understand your business requirements. We will tailor the right benefit package to meet the needs of each business and in turn help you provide the right service to your firm.

Group Income Protection

Group income protection provides a proportion of salary to an employee off work due to illness or injury, offering financial support for employees during illness or injury, including practical help and rehabilitation support to either keep them in work or get them back into the workplace as quickly as possible. This valuable benefit helps employers attract and retain quality staff.

Group Life

You can provide support for your employees' loved ones when it really matters with this essential part of the benefits package. Group life assurance provides a lump sum and/or an ongoing income to survivors if an employee dies while covered by the policy, offering financial and emotional support for your employees' dependants at a time when it's needed most.

Group Critical Illness

Group critical illness provides a tax-free lump sum payment if your employee is diagnosed with a condition covered by the policy and survives a set period of time. This can mean financial support for employees when they are diagnosed with a critical illness or undergo an operation covered by the policy.

GROUP PENSION

Auto-enrolment made simple

Auto-enrolment aims to increase the level of retirement saving through the workplace and affects every employer in the UK. New legislation requires all employers to contribute to a qualifying plan, regardless of their size. The auto-enrolment rules can be complicated and onerous and, in addition to the cost of extra pension contributions, requirements for employers include extensive administrative duties with heavy financial penalties for those who fail to comply.

Auto-enrolment affects YOU

The law on workplace pensions has changed. You now need to assess which employees must be enrolled in the workplace pension scheme (based on their age and salary) and look at opt-in or opt-out choices. This needs to be done each and every time you run your payroll. As an employer you now need to:

- **Categorise your workers.** You may think everyone should be included in auto-enrolment, but it's not that simple.
- **Communicate.** There are a number of different communications you need to send to different categories of worker at different points in time.
- **Keep detailed records of opt-ins and opt-outs:** Employees can opt out, employees who aren't eligible now may become eligible, and opted out employees may change their mind. Detailed records relating to all this movement must be maintained and updated at all times.
- **Manage your payroll.** Your payroll system will need to ensure the correct contributions are payable for each employee every time the payroll is run.
- **Choose a pension plan.** You're also expected to select a pension plan and make decisions about which investment choices to offer your employees – decisions that are usually only taken by a qualified professional with many years' experience.

There's been lots of discussion around how auto-enrolment will affect employees, and debate around whether employers are ready. The truth is, there are significant costs and time pressures facing businesses in rising to the challenge of implementing auto-enrolment, and with fines for non-compliance, businesses will pay the price for getting it wrong.

Don't go it alone

Auto-enrolment can be extremely time-consuming, and even after you've put a scheme in place, there will be ongoing requirements. As a small business, the pension scheme you select for auto-enrolment will play a big part in how successfully you're able to deal with the new regulations. Choose wisely and you'll end up with a scheme that works well with your systems, is easy to run and a real benefit for your employees. Choose poorly and you could be lumped with a scheme that doesn't fully meet the needs of your business - or that you need to spend a lot of time managing each month.

Help is at hand

At Folwealth we're aware that many employers may be struggling with the prospect of choosing a workplace pension scheme, with a lot of questions that need answering. Which type of scheme is best to go with: a group personal pension scheme from a traditional pension provider, or a master trust from one of the new kids on the block?

The main benefit of working closely with an independent adviser to fulfil your auto-enrolment duties and obligations is the time and money saved. This includes both initial work (sourcing, scheme design, implementation and roll out) and ongoing work (continual compliance, member communications and governance).

It would be time-consuming for you to approach multiple pension providers directly for information. Not all providers will offer suitable schemes, especially for smaller employers. Folwealth can provide a complete end-to-end solution, whatever your needs. From complete guidance and assistance throughout the whole process, to providing your own planner to manage the individual tasks in-house, we have a solution that will be right for you and your budget. We work regularly with all the leading pension providers and we know which ones have a scheme that will work best for your business.

By cutting to the chase like this, we can save you considerable time and money on the number of man hours used researching auto-enrolment schemes and providers. If you would like to work with us please get in touch. info@folwealth.com