



Navigating the Complexities of Employment Allowance: Tips for Group Companies

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Introduction

Corient Business Solutions partnered with an employer managing multiple entities to ensure optimal utilisation of employment allowance benefits. Our strategic approach and expertise enabled the employer to claim valuable relief while maintaining compliance with HMRC regulations.

The Problem?

- The employer managed two entities with director ownership in varying proportions. Clarification was needed on whether they qualified as a group or separate entities for employment allowance eligibility.
- Misclassification could lead to missed benefits or non-compliance with HMRC guidelines.

Corient Solution

- Reassessed the group classification by consulting with the client to verify the relationship between the entities.



**The best accountants
are the architects of
financial legacies.**

– Laura Anderson



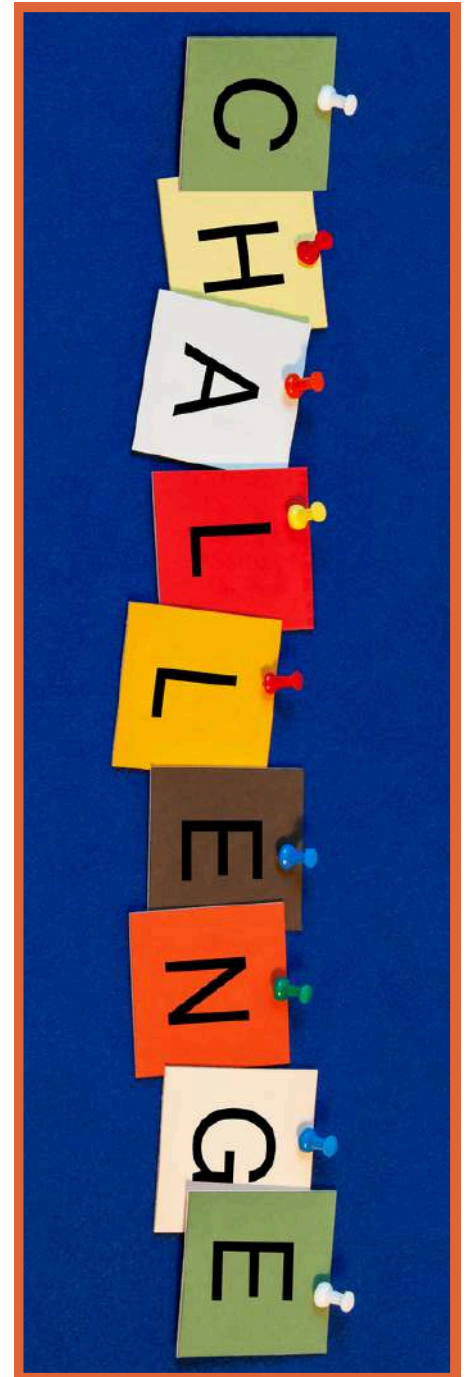
- Confirmed eligibility for employment allowance across both entities despite differing director share ratios.
- Submitted EPS (Employer Payment Summary) to HMRC to claim employment allowance for the eligible entity.

Challenges Faced

- Verification of eligibility is required to review ownership structures and reconcile details across all entities.
- Ensured compliance with HMRC rules while confirming allowance claims for each entity.
- Checked the HMRC portal for accurate allowance claims and potential discrepancies.

Overcoming the Challenges

- Conducted a thorough review of all entities to confirm eligibility for employment allowance.
- Verified and rectified allowance claims by cross-referencing P32 reports with HMRC records.
- Ensured clear communication with the client to address ownership and eligibility concerns promptly.



**Behind every good
business is a great
accountant.**

– Anonymous



Result Achieved

- Successfully claimed the employment allowance for the eligible entity, securing £5,000 in employer NIC relief in the current financial year.
- Streamlined compliance processes, ensuring all entities received the appropriate benefits without errors.

Conclusion

Corient's proactive approach and expertise in payroll compliance helped the employer optimise their employment allowance benefits. We delivered tangible financial savings by verifying eligibility and ensuring accurate claims while maintaining HMRC compliance.



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**The road to success and the road to failure
are almost exactly the same.**

– Colin R. Davis

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