



Chartered Certified Accountants

PAYROLL ENGAGEMENT

We will prepare the payroll deduction and related information based solely on the details provided by you on the basis detailed below.

We will open a PAYE scheme for you with HM Revenue & Customs (if one does not exist).

Reporting of data to HMRC is done online via the Real-Time Information (RTI) submissions.

We will:

- a) Calculate gross pay;
- b) Calculate deductions (tax, national insurance, student loans etc.) and employer's national insurance contributions
- c) Calculate any statutory sick pay or statutory maternity or paternity pay;
- d) Calculate pension scheme deductions including any Automatic Enrolments.
- e) Adjust for non-statutory deductions (SAYE schemes etc); and
- f) Calculate net pay.
- g) Generate a report showing your PAYE and NIC liability and the payment date and amounts due to pension provider.
- h) Submit information online to HM Revenue & Customs (HMRC) under RTI for PAYE.

We shall be responsible for preparing payslips for each employee for each pay period that you specify.

The payslips and details of net pay, tax, national insurance and other payments will be communicated to you before the end of the relevant pay period.

Should there be no payments due in any pay period HMRC will still need to be notified of this and this will be done via an RTI submission.

We shall not prepare:

- (a) BACS transfers;
- (b) payment lists;
- (c) cash requirements list.



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Where you are authorising us to do so, we will arrange with HM Revenue & Customs to forward details of changes of PAYE coding etc. to ourselves in order that changes may be implemented at the earliest date.

We will not enter into correspondence or discussions with your employees concerning payroll, PAYE codings, national insurance or pension deductions etc. unless at your specific request.

We will submit your PAYE data to HM Revenue & Customs on a Real-Time basis using the information described above to make the necessary "Full Payment Submission" (FPS) reports to HM Revenue & Customs. Unless we hear from you before the specified deadline we will assume the information is approved by you and submit it accordingly. FPSs need to reach HMRC normally on or before payday.

We will prepare and submit monthly "Employer Payment Summary" (EPS) reports to HM Revenue & Customs where needed. This will apply where the payment you are due to make to HM Revenue & Customs differs to the amounts shown on the Full Payment Submissions. EPS submissions must reach HMRC by the 19th of the month following the month to which they relate.

Where you have authorised us to do so, we will notify HM Revenue & Customs of any changes of employee, generating forms P45 for leavers and operating the P45/New Starter procedures for new employees.

We will liaise with HMRC regarding any online messages sent to us relating to your payroll. Where required, we will submit national insurance number (NINO) verification requests to obtain or verify a NINO for an employee.

Whilst we cannot choose an Auto Enrolment (AE) pension provider for you, we will assist you if required with setting up and uploading information to the pension provider you have chosen.

It is the duty of the employer to provide an AE compliant pension scheme and assistance in this regard is available from the Pension Regulator www.thepensionsregulator.gov.uk.

On each payroll run we will upload your payroll summary for submission of your employer/employee pension contributions information to your pension provider in their required format.

At the end of a tax year we will make the necessary declarations and indications in your final payroll report for the tax year and will liaise with you where there is any missing information. Following the end of the payroll year, we will send you a Form P60 for you to distribute to each applicable employee.

If requested, we can also provide such other payroll ad hoc and advisory work. This work may be the subject of a separate engagement letter. We will discuss and agree our fee for such work when it is commissioned by you. If more specialist advice is required from time to time we may need to refer you to other appropriate providers.



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The relevant PAYE records will be retained by ourselves for three years following the end of the income tax year to which they relate or such longer period as the law may require or we would judge to be of benefit.

We will need you to provide:

- a) Cumulative pay and tax deductions together with national insurance computations up to the date when we commence acting;
- b) Full details of current pay e.g. annual rate, weekly rate, monthly rate etc;
- c) Details of your SSP basic waiting periods; Details of student loan deductions.
- d) Details of and any changes to pension deductions with sufficient evidence as to whether employee contributions are deductible from gross pay or are paid "net of tax" to the pension fund and therefore deductible from net pay.
- e) Any changes to the employee's home address.
- f) Details of all leavers, including deaths of employees and details of termination agreements
- g) For joiners - their full name, address, dates of birth, national insurance number, passport number (where no NI number) and full details of their remuneration package including any bonus entitlements.

You will notify us by email, spreadsheet, telephone, or in some other acceptable form at least 5 working days before the end of the pay period to which the adjustments relate. If this information is not received within this timeframe you recognise that we are not responsible for any delays for payments or reports to employees or HM Revenue & Customs or any resulting fines for non-compliance.

Under "Real-Time Information" it is necessary for us to submit Full Payment Summaries (FPS) to HM Revenue & Customs on or before the date you make wage payments to your employees. We will also need to file Employer Payment Summary (EPS) reports where the amount of taxes you are paying to HM Revenue & Customs differs to the amounts shown on the FPS reports.

These reports will be based on the information that you provide us, as summarised in the information that we submit to you for each pay period. HM Revenue & Customs as well as the Pensions Regulator can impose penalties if reports etc are late or incorrect so it is vital that you carefully review the information that we provide to you and notify us of any amendments/corrections immediately. If we do not hear from you before a report submission date, we will take that as your approval of the report and make the online submission accordingly. You will remain legally responsible for the accuracy of the return.



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You will also be responsible for:

- i) Completing the checks on a new employee's eligibility to live and work in the UK in Accordance with the Government's Code of Practice "Preventing Illegal Working," and Section 8 of the Asylum and Immigration Act 1996.
- ii) Ensuring your workers are at least paid the national minimum/living wage, monitoring the annual leave and pension entitlement of your employees and dealing with all aspects, legal or otherwise, of being an employer.
- iii) Managing any childcare scheme for the benefit of your employees but we can assist in computing exemption entitlements if required.
- iv) Making contribution payments to your pensions provider.

Where you would like HM Revenue & Customs to forward copies of notices of coding etc. to this firm, you will supply us with the requisite authority to approach them.

Where you do not give us authority to act in this connection you will forward to us the following on receipt:

- a) Any official notifications with payroll ramifications.
- b) Form P6 – notification of change of tax code;

EMPLOYEE COMMENCING

You will forward to us details of pay, full name, home address, date of birth, national insurance number etc on the standard employee form which we will provide, and a form P45 if applicable. If a P45 is not provided, the employee should be asked to complete a New Starter form and this should be forwarded.

EMPLOYEE LEAVING

Where an employee leaves, you will notify us immediately by telephone and confirm this in writing advising of the date of leaving, pay due up to that date, any pay in lieu of notice, holiday pay due and other payments and you will also advise of the physical date of departure from your organisation.



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SICKNESS

Where an employee is sick, you will forward to us immediately any medical certificate obtained. We will not be able to calculate statutory sick pay without any such certificate.

STATUTORY MATERNITY/PATERNITY PAY

You will forward to us on receipt relevant certificates of confinement and/or forms received in relation to paternity pay or the entitlement to additional periods of maternity/paternity pay.

We shall not be liable for any penalty or interest charge for failure to complete or submit on time the HM Revenue & Customs or Department of Work & Pensions forms, nor can we guarantee to be able to complete the weekly/monthly pay calculations where the information has not been supplied to us within the time period outlined above.

PENSIONS – AUTOMATIC ENROLMENT

We will assist with your obligations as an employer in connection with this legislation on the basis of information that you supply to us. We will assist in assessing eligibility of your workers and liaise with your provider to produce statutory welcome packs and letters for distribution to your workers as required by law and as appropriate to current employees and joiners as well as those that opt out. We will liaise with your pension provider who should monitor individuals 3 yearly anniversaries for repeated auto enrolment of appropriate workers.

FORMS P11D

A return of “benefits” is required to be made where these arise e.g. company car, certain reimbursement of expenses etc. We will assist with their completion and submission if required. You will supply us with any information concerning benefits that are received by employees including directors or their relatives.

PAYMENT AND FILING

You are legally responsible for making correct returns by the due date and payment of tax on time. Failure to meet the deadlines may result in automatic penalties and/or interest. We shall not be liable to any penalty or interest charge for failure to complete or submit on time the HM Revenue & Customs or Department of Social Security forms, nor can we guarantee to be able to complete the weekly/monthly pay calculations where the information has not been supplied to us within the time period outlined above.



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CHANGES IN LAW

We will not accept responsibility if you act on advice previously given by our firm on an earlier occasion without first confirming with us that no changes in the law have occurred that may change the advice under current circumstances.

We will accept no liability for losses arising from changes in the law that are first published after which our advice was given.

TERMS OF BUSINESS

A schedule of our standard terms of business is available on our website.

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