

600 PAYROLL

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the terms and conditions of business.

1. PAYROLL SERVICES

RESPONSIBILITIES AND SCOPE FOR PAYROLL SERVICES

1.1 Recurring compliance work

1.1.1. We will prepare your UK payroll for each payroll period to meet UK employment tax requirements, specifically:

- Calculating the pay as you earn (PAYE) deductions;
- Calculating the employees' National Insurance Contributions (NIC) deductions;
- Calculating the employer's NIC liabilities;
- Calculating statutory payments, for example, Statutory Sick Pay and/or Statutory Maternity Pay;
- Calculating other statutory and non statutory deductions; and
- Submitting information online to HMRC under RTI for PAYE.

1.1.2. We will prepare and send to you the following documents before the time of payment through the payroll or due date for delivering information to HMRC:

- A payslip for each employee unless not required;
- A P45 for each leaver;
- Details of your PAYE and NIC liability and the due date for payment.
- A payroll summary report showing the reconciliation from gross to net for each employee and all relevant payroll totals is available upon request.

1.1.3. We will submit FPSs online to HMRC after the data to be included therein has been approved by you. (FPSs must reach HMRC normally on or before payday).

1.1.4. We will prepare, where appropriate (for example, to recover statutory payments, claim deductions under the NIC holiday scheme or CIS deductions, confirm that no payments were made to employees), for each tax month, an EPS from the information and explanations that you provide to us.

1.1.5. We will submit EPSs to HMRC after the data to be included therein has been approved by you. (EPSs must reach HMRC by the 19th of the month following the tax month to which they relate).

1.1.6. At the end of the payroll year we will:

- Prepare the final FPS or (EPS) including employer annual declarations and submit this to HMRC after the data to be included therein has been approved by you. (The final FPS (or EPS) for the year must reach HMRC by 19 April following the end of the tax year).
- Prepare and send to you by the statutory due date Form P60 for each employee on the payroll at the year end.

1.1.7. We will deal with any online secure messages sent to us by HMRC in respect of your payroll.

1.1.8. We will submit National Insurance Number (NINO) verification requests as appropriate to verify or obtain a NINO for a new employee.

1.2 Ad hoc and advisory work

1.2.1. Where you have instructed us to do so, we will also provide such other taxation ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:

- Dealing with any compliance check or enquiry by HMRC into the payroll returns;
- Preparing any amended returns for periods before you report in real time, which may be required, and corresponding with HMRC as necessary;
- Preparing and submitting correcting EPSs for earlier years;
- Preparing and submitting an Earlier Year Update (EYU) to correct, after 19 April, any of the year to date totals submitted in your end of year FPS for a previous tax year, in respect of years after you started to send information in real time.

1.2.2. Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists.

1.3 Changes in the law

1.3.1. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.

1.3.2. We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

1.4 Your responsibilities

1.4.1. You are legally responsible for:

- a) ensuring that the data in your payroll submission is correct and complete;
- b) making any submissions by the due date; and
- c) making payment of tax and NIC on time.

1.4.2. Failure to do this may lead to automatic penalties and/or interest.

1.4.3. Employers cannot delegate this legal responsibility to others. You agree to check that submissions that we have prepared for you are correct and complete before you approve them.

1.4.4. To enable us to carry out our work you agree:

- a) that all information required to be delivered online is submitted on the basis of full disclosure;
- b) to provide full information necessary for dealing with your payroll affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- c) to agree with us the names of the persons authorised by you to notify us of changes in employees and in rates of pay. We will process the changes only if notified by that individuals;
- d) to advise us in writing of changes of payroll pay dates;
- e) to notify us in any agreed timescale communicated to you, prior to the payroll pay date of all transactions or events which may need to be reflected in the payroll for the period, including details of:
 - all new employees (including full names, address, date of birth, national insurance number, passport number) and details of their remuneration packages;
 - all leavers, including deaths of employees, and details of termination arrangements;
 - all changes to remuneration packages;
 - all pension scheme changes;
 - any changes to the employees' bank accounts;
 - irregular and/or ad hoc payments and the dates to be paid; and
 - CIS deductions to be included in payroll submissions.
- f) to approve:
 - in-year FPS in any agreed timescale communicated to you prior to payroll pay dates so that they can be submitted on or before payday, or as agreed with us;
 - in-year EPS in any agreed timescale communicated to you prior to 19th of the month following the tax month;
 - final EPS for the year in any agreed timescale communicated to you prior to 19 April following the end of the tax year; and
 - EYU in any agreed timescale communicated to you.
- g) to authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.

1.4.5. You will keep us informed of changes in circumstances that could affect the payroll. If you are unsure whether the change is material or not please let us know so that we can assess its significance.

1.4.6. If the information required to complete the payroll services set out above is received later than any agreed timescale communicated to you, we will still endeavour to process the payroll and returns to meet the agreed payroll date and filing deadlines but we will not be liable for any costs or other losses arising if the payroll is late or the returns are filed late in these circumstances. We may charge an additional fee for work carried out in a shorter time period.