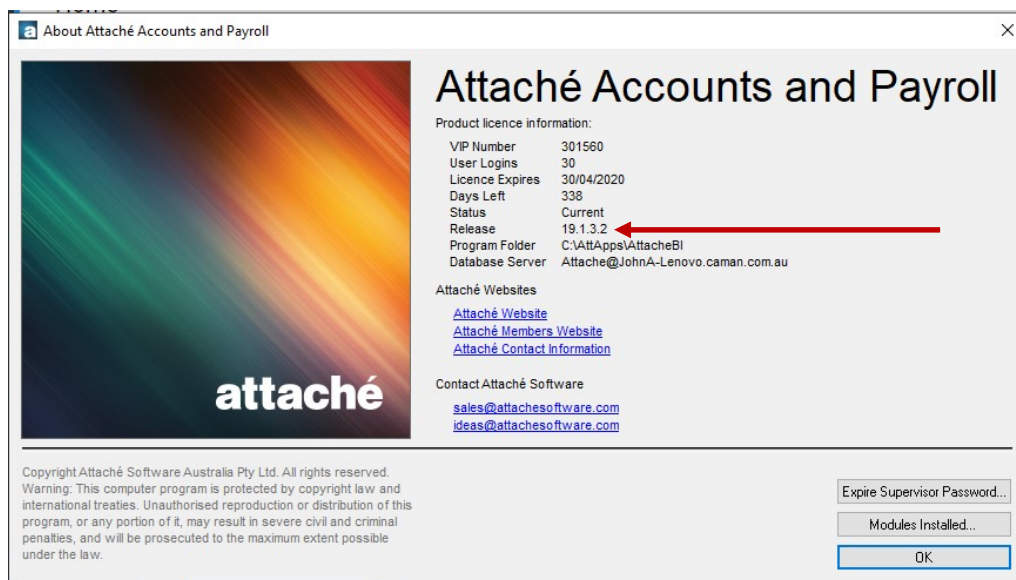# ATTACHÉ BI PAYROLL

PAYROLL YEAR END PROCEDURES

FOR 2019/2020

The minimum version for 2019-2020 is **Attaché BI version 18.1** and will be suitable again for this 2019-2020 year. The **recommended version is Attaché 19.1** and with several Legislative changes (updated TFN declaration and changes to SFSS)

Simplified EOY with STP

No longer is the requirement to issue Payment Summaries – that process has now been changed to the Finalisation Process
Finalisation needs to be as ususal by the 14 July for more than 20 employees – for under 19 Employees you have until the 19th of July

2020/21 Tax Scales
Attaché Payroll tax scales for 2019/20 will be available to download via the Attaché Members website mid-June. Payroll tax scales for 2020/220210 are compatible only with Attaché 19.

Do you need our assistance?

If at any stage you are unsure of these procedures or you would prefer a consultant to come and complete the end of year for you then please give us a call.

And/ Or -If you require our assistance in upgrading your payroll please call us on (08) 9470 9922 and we will be happy to arrange an appointment to do this.

End of Year Functions to be carried out

Process last Pay and submit last STP batch

FBT Entries

EOY Reconciliation

Finalise Employees

Create History Company

Run EOY

Period end / Year End/

Delete History Transactions (Optional)

Delete Terminated Employees (Optional)

Perform Data Checks (Optional)

Tax Scales

Back Up: Label this backup as: End of year 2019/2020

For your convenience we have included an End of Year Payroll Check List at the end of this document.

THE FIRST STEP IN YOUR END OF YEAR PROCESSING

PROCESS ANY FRINGE BENEFITS YOUR EMPLOYEES HAVE RECEIVED

If you have **FRINGE BENEFITS** that need to appear on employee's Payment Summary, please follow the instructions below **BEFORE YOUR END OF YEAR PROCESSING**

If you do not have FRINGE BENEFITS go to page 5.

FBT Setup Information

If this has not already been done – check as follows

1.   Set up or check Reportable Fringe Benefit Options
Setups | Payroll | Options | Payroll Options – this may already be setup
Page Down twice
Set the FBT rate to 0.47
Set the FBT Threshold to $2000.00

Start of Tax Year

01/07/2019

FBT Rate

0.4700

FBT Threshold

2000.00

2.   Create/check an Employer Contribution Code for Reportable Fringe Benefits
Setups | Payroll | Employer Contributions | Maintain

Employer Contribution Code -	eg FRINGE or FBT
Type	Value
Description	Fringe Benefits
Contribution Category	R=Reportable Fringe Benefits/Non cash (Non=exempt/Non-cash Benefit (Exempt)
Amount	0.00 Variable
Value Minimum	0.00
Value Maximum	9999999.99
Show on pay advice	Yes
Show rate on pay advice	Yes
Allow date entry	No
Multiple G/L Dissections	Yes/No – as required
F9 to accept	

Entering Fringe Benefits

Fringe Benefits in excess of $2,000.00 received in the FBT assessment year of 1st April 2019 –

31st March 2020 must be shown on the 2019/2020 Payment Summaries.

Entering a Fringe Benefit for an employee

Menu Selection   Transactions | Process Payroll | Adjustments | Create or Modify

   1.   Select the employee   (OTHER TICK BOXES?)
   2.   In function field select E – (Add new pay - Start with empty pay)
   3.   Press the TAB key and add a Pay Description ie FBT for year xxxxxx
   4.   F9 to Accept
   5.   Select Find (F2) and select line type E (Employer Contribution/Super)
   6.   In Code field select Find (F2) and select code for Fringe Benefits
   7.   Enter the value **(this is the <u>Non-Grossed</u> up value or the amount they actually received)**
        DO NOT gross up the figure, Attaché Payroll does this for you automatically.
   8.   Accept/F9
   9.   Finish (ESC)
   10.   Accept this pay – YES

Processing the FBT Entries

After the Fringe Benefits have been entered for all relevant employees we need to process the entries

Check the pays – with the dates of 31/3/2020 in both fields

Menu Selection   Transactions | Process Payroll | Check Payroll | Check Pays

Pay period ending   31/03/2020
Date paid   31/03/2020
Select to check only the Adjustment pays
Check report to ensure all employees you entered for FBT are on the list

Note – If report is not correct, uncheck pays, make correction and check pays again

Print the Pay Details and Pay Totals reports to check that there is no net effect.

**Menu Selection   Transactions | Process Payroll | Pre-Process Reports | Pay Details
                    Transactions | Process Payroll | Pre-Process Reports | Pay Totals**

The transaction input into Attaché to record Reportable Fringe Benefits should have no impact on taxable income or tax instalment deductions.

The net effect of the transaction must be zero – if it is not, it is wrong.

Update Files

Menu Selection   Transactions | Process Payroll | Process Payroll | Update Files

You can check the current year total fringe benefits for each employee by going to **Master Files | Payroll | Employee Details | Enquire***, enter employee code, F7 for summary, F6 to itemise, select employer contributions.* **This will still show the non grossed-up value***, however the grossed-up value will show on the payment summary.*

Log into Attaché On-line and submit the STP batch
- **Through STP – all FBT figures are now sent even if they are under $2,000.00**

EOY Reconciliation
- Check Itemised Allowances are reflective of the ATO requirements

Reconcile Employee YTD amounts
After your last pay run and STP submission for the EOY – run the following reports

- *STP Income Statement Report from your final STP batch*
  - *The figures in this report match the employees income statement and reflect the reported YTD totals*
- *Payment summary Details Report (Payroll | Period End | Payment Summaries*
  - *Using the Date Paid 01/7/19 – 30/06/20*

This report shows totals by employee for gross, taxable gross, other income, lump sum payments, tax, deductions, net pay, and employer contributions (Fringe Benefits/Non-cash Benefits).
Options include a date range or all periods YTD. If you print the report in detailed format, it shows the income types that make up the total for each employee.

Things to check on the report

- The GROSS amount = TAXABLE amount (if they are not equal it could be because of Leave Loading, Salary Sacrifice or an After Tax allowance or deduction)

- TOTAL GROSS = the TAXABLE amount on the PAYG Tax Reconciliation Report previously printed

- Super Payment Summary Report (Payroll | Reports | Superannuation) or Employer Contributions Transactions Report (Payroll | Reports Post-Process Pays | ECR

Finalising your Employees

- Ensure you have entered all transactions for the financial year and submitted any resulting STP batches
- Log into Attaché On-Line
- Click on the Statuses selected drop down and select – ATO Confirmed

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- Select the most recent and click refresh batch – this will bring in the latest employee information

- Finalise the employees in the batch – you have two ways to do this;
    - Click on the EOY finalisation toggle (only available during the EOFY period)
    - Options Menu (right hand side) – select Finalisation, then finalise All

    - Finalise
    - Click on the Sign and submit finalised batch – complete the declaration and submit to the ATO

Once this batch is confirmed by the ATO – Employees will have a Tax Ready status on their MyGov account

After the batch is ATO confirmed, the Employee Finalised flag on the tax tab of the employee Masterfile will be updated to show the date of the finalisation.

This is not an STP requirement but a good payroll process to have

Need a Correction?

If you pick up an error prior to running the EOY, you can do an adjustment pay – fix the issue and submit the STP batch as per normal. No need to change the finalisation flag on the employees Masterfile.

Create History Company and run End of Year

**MAKE AN ARCHIVE / BACKUP OF YOUR CURRENT PAYROLL**

*Before you go to the next stage, you **MUST** make a backup of your current data*

Label the backup **30.06.20 TO BE KEPT.**

If you are using Attaché Archive, please be aware that this writes to local disk. Take a copy of this Archive file and paste it into a separate drive or a removable media to provide full security.

- Make an archive copy your current payroll
    - Create a new company for last year's figures:
        - Menu selection;   File | Set Up & Delete Companies
        - Type in the name of your new archive company you wish to copy the current data into eg PAYROLL 2019/2020

You will get the following message; Select **Yes**
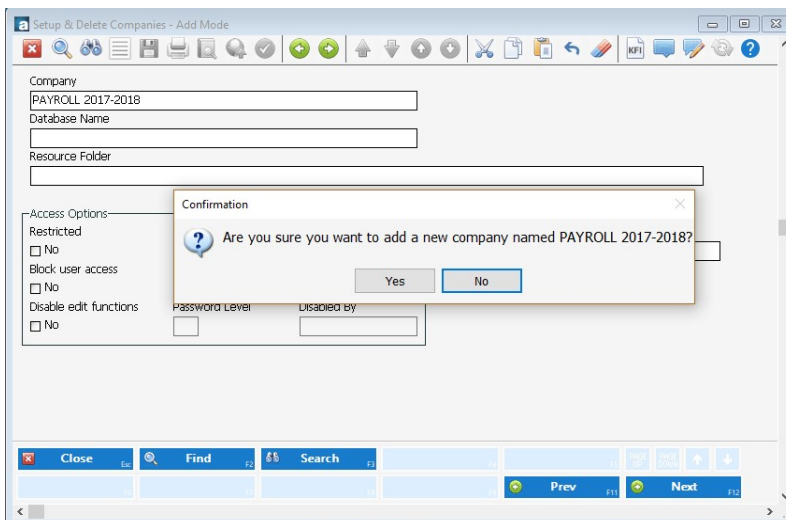
In the next screen

The data base name and pathway are created automatically.

Select **ACCEPT**. You will get the following message
- Then; File | Open Company and login to the new payroll Company as you have just created.
- File | Restore Company from Archive – select the archive you had just created
- File Restore – your 19/20 company is now copied to this data set
- Run several reports to confirm the above has occurred

Linking History *Company*

To Link the history Company with the primary company – go to:

- Log into the 2019/2020 history Company

- Setup | Payroll | Options | Link Primary Company

- Select Primary Company

- Save

This process is in case you need to make any future adjustments through STP and Attaché On-line.

NB Requires the Modern Menu

Open Attaché and open the archive company and check records

File – Open Company - Check the data

Select Masterfiles – Enquire

Select the Income Button to see Pays history

Drill down to check the list of pays

If you wish you can drill down further in the pays to look at the Timesheets behind them.

If all looks OK, change to your "current payroll company" as you are ready to do your end of year rollover or Process

Completing the End of Year

File | Open Company
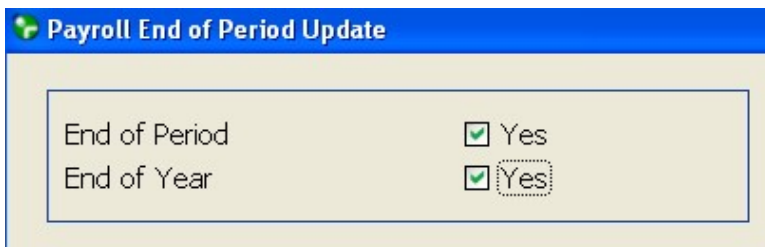
Select your current (live) payroll company

YOU MUST DO THIS PRIOR TO BEGINNING ANY PAYROLLS FOR FY 2020/2021.

Do a Backup/Archive first before you start your EOY

Menu Selection   Period end | Payroll | Period End | End of Period | Payroll

Select *Yes* **to end of period**
And   *Yes* to end of year

Accept (F9)

This procedure will do the following:

- All PTD and YTD hours and values on the employee Master File will be reset to zero.

- The Tax Certificate Status field will be cleared for all except terminated employees.

- Costing (sub module): All PTD and YTD hours and values on the Cost Centre Enquiry and Cost Centre PTD/YTD report will be cleared. The History Pay costings report figures come from the history transactions and are still available for reporting, unless history transactions are also deleted.

Housekeeping

Your payroll will be more manageable if you perform the following housekeeping tasks. Be aware however, the following processes could take a long time depending upon the size of your payroll files.

Back Up
It is important to take a further backup before running any of the following steps. Keep this backup in a safe place; you may need to restore and view the history at a later date.

Delete History Transactions

Menu Selection   Transactions | Payroll | Time Sheets | Delete History Transactions

Note:
If you have already run a payroll for the New Year, you must select a date range that will exclude transactions relating to the new financial year. If you do not do this, any history reports for the new financial year will be incorrect.

All history transactions within any ranges entered will be deleted.

Deleting Terminated Employees

Menu Selection   Master Files | Payroll | Employee Details | Delete

If you want to delete all terminated employees, it is not necessary to enter any ranges as only those terminated employees will be deleted.

Note:

If you have decided to retain last year's history in the current year, keep in mind that details of any employees deleted will no longer be included in reports.

When an employee is deleted, all details including their standard pay, bank accounts, notes and history transactions are also deleted.

If an employee has FBT figures they will only be able to be deleted in the following year.

If you have difficulty in deleting any (or all) of your terminated employee, see the following pages for detailed instructions for deleting terminated employees.
Detailed instructions for deleting Terminated Employees.

Menu Selection

Masterfiles – Payroll – Employee Details – Delete

Select individual employees to delete or leave blank to delete all terminated employees.
Save (F5)
Start (F9)   Attaché will give you the following warning/information message
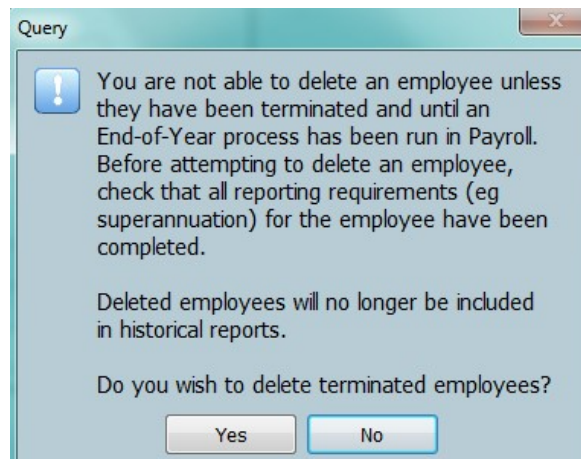
Select **Yes**

The system will delete the selected Employee Range and show how many employees were deleted.

If you cannot delete a Terminated Employee it means there are employee Mastefile links or setups which are incorrect or need to be deleted.

Areas to check are:

1. **The employee may have a termination date, but their status has not been updated to "terminated".**

2. **The employee has reportable fringe benefits for the following year.**

3. **The Employee estimated leave accruals are reset to zero.**   *Refer Additional Instruction A below*

4. **The Employee does not have Superannuation links**   *Refer Additional Instruction B below*

Additional Instruction A

To reset the estimated leave accruals to zero use the following steps.

Menu Selection

Reports - Payroll - Leave - Leave Liability Journals

Tick   Set Estimated Leave Accruals to Zero

Select all leave types of leave in the 'Include in Calculations' AND only Terminated in the 'Employee Status Selections'.

Page down twice (or select the Ranges tab)

Select the Employee or Employee range (or no range selection if all Terminated employees)

Output Selections Print to Screen (or printer if you wish to keep a permanent record).

Select Print (F9) button

You will receive the following message

Select **Yes**

Additional Instruction **B**

To Delete Super Payment Details
Menu Selection
Period End – Payroll – Superannuation – Delete Super Payment Details

Check that "Account Type" is Superannuation
Tick "Terminated Employee only"

Select Save (F5)

Select Delete (F9)

Important Note

You will receive the following warning message

Please read the warning message carefully and select YES if you satisfy the questions.

The system will then run through the deletion process and show how many records were deleted.

Check & Compress Files:

After deleting transactions and employees it is advisable to do a File Integrity, Compress Database and Index File Optimiser on all payroll and employee files. This will make processing and reporting for the New Year considerably faster.

Note: When each of these processes have finished, make sure you PGUP to check that all files selected have an "OK" alongside and that there is nothing in the "Records Deleted" column. If there are any discrepancies please contact one of our Attaché Consultants before proceeding to the next step.

Menu Selection   Tools | Company | Data Checks |

   File Integrity Check | F5 to select all accounts - F9 to accept

   Compress Database | F5 to select all accounts - F9 to accept

   Index File Optimiser | F5 to select all accounts - F9 to accept
Back Up

Label this backup as: **Beginning of year 2020/2021 - <u>Keep it in a safe place and do not re-use</u>.**

<u>Tax Scales</u>

Setups | Payroll | Tax Scales | Download Tax scales from Web
Then,
Setups | Payroll | Tax Scales | Import

The new tax scales for 2020–2021 can now be imported into your current company. These tax scales can be downloaded from the Attaché website www.attachesoftware.com/cbpmembers. Alternatively you may select to download (or have a consultant update) the new tax tables – note that these tables are not normally available until the end of June.
Attaché recognises that the new tax scales are available and you will be prompted to import them into the payroll. Check they have imported correctly by going back to Payroll Options | Tax Details Tab and check the Effective Date of Payments is correct. You will need to do this for all Companies

Update SFSS – Masterfile changes

Payroll | Masterfile | Employee Details | Maintain
   o   Uncheck SFSS and select Study and Training Support Loan – Accept (F9)

Update maximum Super Contribution Base

Setups | Payroll | Employer Contributions |Maintain
- o   New Quarterly Value is $55,270.00

Leave Liability Report (optional)

This would be a good time to run your Leave Liability Report to show your liability position at the beginning of the financial year

Menu selection   Reports – Payroll – Leave – Leave Liability

Select Annual and Long Service Leave

Enter 1ˢᵗ July 2020 for the Accrual Estimation Date

Other Info:

Where a Tax File Number has not been quoted, the following codes will be accepted by the Tax Office for the following described circumstances.

- o   **Use 000 000 000 if no TFN quoted by the employee**

The employee chooses not to provide a TFN, or has failed to do so within 14 days of employment
- o   **Use 111 111 111 if the employee is applying for TFN**

The employee has not provided a TFN, but has indicated on their declaration that they have applied for one.
This code may be used for up to 28 days from hired date.
- o   **Use 333 333 333 if the employee is under eighteen**

Where the payee is a child aged under eighteen, who has claimed the general exemption and whose earnings are insufficient for tax to be applicable

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Attaché Payroll Check List

FBT Setup Information (correct FBT value) ☐

Setups | Payroll | Employer Contributions **| Maintain -** (FRINGE) ☐

Complete Fringe Benefits for all employees
Transactions | Process Payroll | Adjustments | Create or Modify ☐

Reversed ETP Entries (if required) and re entered ☐

Period End | Payroll | Payment Summaries **| PAYG Tax Reconciliation Rpt**

Check List

All employees appear on this report. ☐

The total tax paid must be equal to the amount already remitted
to the Tax Office plus your proposed amount for June 2016
Refer to your Business Activity Statements to confirm this amount. ☐

All employees must have a tax file number and postcode ☐

All employees who either started or terminated during
the year must have correct dates. ☐

Allowances and deductions are appearing in the correct fields
should they be itemised and are they before or after tax. FBT and
RESC amounts are correct. ☐

Employee name should be set up as
First Name Last Name or Last Name, First Name ☐

Period End | Payroll | Payment Summaries | Pay Summary Report
You can use the report to help you calculate FBT (Fringe Benefits Tax)
amounts, but refer to details later in this Report for further information ☐

Import Postcode File   Setups | Company | Postcodes | Read File ☐

Period End | Payroll | Payment Summaries **| Employer Details/Validation** ☐

Back Up
It is important to take a further backup before running any of the following steps.
This is your **30.06.2018 TO BE KEPT** backup ☐

Create Payroll Company for this years archive ……………………………… ☐

Copy current payroll files to the new company ☐

Attaché Payroll Check List (cont)

In Current Company

Period End | Payroll | Payment Summaries | **Create Payment Summaries** ☐

Period End | Payroll | Payment Summaries | **Print Payment Summaries** ☐

Period End | Payroll | Payment Summaries | **ETP Payment Summary Sheets** ☐

Period End | Payroll | Payment Summaries | **Payment Summary Overflow Report** ☐

Period End | Payroll | Payment Summaries | **Magnetic Media File Create** ☐

Period end | Payroll | Period End | End of Period | Payroll ☐

Transactions | Payroll | Time Sheets | **Delete History Transactions** ☐

Master Files | Payroll | Employee Details | Delete ☐

Tools | Company | **Data Checks**   File Integrity Check ☐

Compress Database ☐

Index File Optimiser ☐

Back Up Label this backup as: Beginning of year 2019/2020 ☐

Setups | Payroll | Tax Scales | Import ☐

Change Employer Superannuation Percentage ☐

Enable Super Payment Date On Pay Advice ☐

Do your payslips comply with the Fairwork Act rules? ☐

NOTES