

Payroll End of Year Tech Tip
(Australia Only)



New Zealand Schools prepare an IRD form each month and the following process is not necessary.

Table of Contents

<u>Prerequisites</u>	<u>3</u>
<u>End of Year Procedure</u>	<u>4</u>
Step 1	4
Check that Pay Codes are in the correct location on the Pay Summary.	4
Check that the correct period is selected for Rolling your Leave Accruals.	4
Step 2	5
Print a Proof Copy of the Payment Summaries	5
Step 3	6
Print a Payroll Validation Report for the Financial Year – July 07 – June 08	6
Step 4	6
Check PAYG Summaries	6
Step 5	6
Check the total tax remitted to the ATO for the financial year are correct	6
Step 6	7
Print the Official Payment Summaries	7
Step 7	7
Electronic Lodgement	7
Step 8	8
Performing the End of Year Rollover	8
Payroll End of Year Rollover is now Complete	9

Important

Ensure you have a **Current Backup** of your payroll data before continuing with the Payroll End of Year procedure.

The **End of Year rollover** is actually the monthly rollover for June 2009. However, as this month is the end of financial year it serves two purposes, a normal month end rollover as well as an end of financial year rollover.

The End of Year procedures should be performed **PRIOR** to executing the first pay run for July 2009 - 2010. Whilst all transaction detail for the 2008-2009 year is available for checking of data and printing of payment summaries, if there is a need for any corrections to pays, taxation figures etc. then these should be performed in the correct financial payroll year.

Prerequisites.

Path: Payroll → Payroll Employee View

Enter a 'Date Left' for all past employees who have left within the current payroll financial year. This date will overwrite the default of 'Tax Period To Date' field on their Payment Summary.

Enter any Reportable Fringe Benefit Tax (Grossed Up \$) amount in the field located via the Payroll Employee View under the History tab. This amount will then be printed on the Employee Payment Summary in the appropriate field.

Use the information below to enter the correct information;

•	Date Left	Any Employee who has left within the current financial year must have a date entered in this field.
•	Reportable FBT	Enter the grossed up FBT figure.

End of Year Procedure

Follow the 8 Steps listed below to complete the Payroll End of Year process.

Step 1

Check that Pay Codes are in the correct location on the Pay Summary.

Path: System → Payroll Control Files → Pay Codes tab

Check that all pay codes used in this financial year are tied to the correct location when printing the payment summaries - "Location on Pay Summary (Group Certificate)". If any have been setup incorrectly, simply change to the correct location.

The screenshot shows the 'Payroll Control Files' application window with the 'Pay Codes' tab selected. The 'Pay Code' is '1' and the 'Description' is 'Teachers Normal Pay'. The 'Location on Pay Summary' dropdown menu is open, showing a list of options. The option '1 - GROSS PAY' is highlighted in blue, indicating it is the selected location for this pay code.

Check that the correct period is selected for Rolling your Leave Accruals.

Path: System → Payroll Control Files → System tab

Some schools may choose to roll their accruals at the end of the financial year (when rolling into July or Period 1) or at the end of the calendar year (when rolling into January or period 7). Check that the correct period is selected before doing the End of Year rollover.

The screenshot shows the 'Payroll Control Files' application window with the 'System' tab selected. The 'Pd. to Roll Accruals' dropdown menu is highlighted with a yellow box, showing the value '7' selected. The 'Current Period' is also set to '12'.

	\$ Month to Date	\$ Year to Date
Gross Pay:	0.00	36251.68
Tax:	0.00	12025.00
Deductions:	0.00	817.20
Allowances:	0.00	26.66
Holiday Loading:	0.00	0.00
Termination Payments:	0.00	0.00
Fringe Benefit:	0.00	145.98
CDEP Payments:	0.00	0.00
Employee Superannuation:	0.00	0.00
Employer Contrib Super:	0.00	3590.04

Step 2

Print a Proof Copy of the Payment Summaries

Path: Payroll → Payroll Payment Summary (Group Certificate)

Employee Payment Summaries must be issued to employees at the end of the Payroll Financial Year.

Proof copies should be printed for checking, prior to both the printing of Official Copies and submission of the ATO electronic file.

Check that all supplier and employer detail is correct before printing the proof copies of the Payment Summaries. If changes are required, this detail is located under Utilities – System File Maintenance.

Process to print proof copies of Payment Summaries:

1.	Select Employee Codes	Select From and To, or leave blank for all employees.
2.	Select Date	<ul style="list-style-type: none"> Tax Period: Will default to the correct date range or can edit if necessary. Fringe Benefit: Will default to the correct date range or can edit if necessary.
3.	Supplier Details <ul style="list-style-type: none"> Contact Name Fax/Phone/Email/Supplier 	Enter your school's Contact Person detail for the ATO. These details will default from the System File, but can be edited if necessary.
4.	Employer Detail	Check all detail is correct.
5.	Output Destination <ul style="list-style-type: none"> Print to Window Print to Printer Export to File Export to Mail 	Print to screen for viewing. Use this to print PDF and Employee copies. You can only use these printouts if you lodge Payment Summaries electronically. Contact the ATO for requirements regarding electronic lodgement. Create a file for uploading to the ATO ECI interface. Not applicable in this view.
6.	Print Paper Options	Select Proof Copy.
7.	Process or Print Certificate	Click to print the Proof Copies of the certificate.

Step 3

Print a Payroll Validation Report for the Financial Year – July 07 – June 08

Path: Payroll → Payroll Transaction Reports in Employee Order

Balance this report against your monthly Validation Reports:

- Add the figures from your July 08 – June 09 Payroll End of Month printouts, and check against the Financial Year Payroll Validation Report (above).

Step 4

Check PAYG Summaries

Check the Financial Year Payroll Validation Report figures for each employee against the proof copies of their Employee Payment Summaries. Ensure you compare the Gross, Allowances and Tax figures from both reports.

Step 5

Check the total tax remitted to the ATO for the financial year are correct

Compare and validate against each of the following reports:

- Check your General Ledger Group Tax Clearing Account for the total tax \$ (including June 09) remitted/to be remitted to the ATO for the Payroll year
- Check against the total tax \$ on your Financial Year Payroll Validation Report
- Check against the total tax \$ shown on all Employee Payment Summaries

These three tallied figures should be the same \$.

Step 6

Print the Official Payment Summaries

Path: Payroll → Payroll Payment Summaries (Group Certificate)

Once all detail has been validated as correct, go back to **Step 2** and select the *Printer Paper Option* of *Official Copies* to print the official copies of the Payment Summaries.

Step 7

Electronic Lodgement

Path: Payroll → Payroll Payment Summaries (Group Certificate)

PCSchool is registered for electronic lodgement with the Tax Office. Schools must also be registered with the Australian Tax Office to take advantage of this feature. Electronic Lodgement is the only supported means of lodgement.

Once the Payment Summaries have been checked and Official Copies printed correctly you can create the electronic file for submission to the Taxation Department.

1.	Select Output destination of Export to File .
2.	Export File Settings will be defaulted in this field. Select the location for the saved file by clicking the ellipsis (magnifying glass) icon. Name the file accordingly, e.g. schoolname2008-2009
3.	Set Printer Paper Options to Official Copies .
4.	Click Process or Print Certificate to create the electronic file.

This file is submitted to the Taxation Department, via their Electronic Lodgement Software. This is the preferred method, rather than sending the information on a disk. You will receive immediate verification of the file if it is lodged electronically.

Step 8

Performing the End of Year Rollover

Important

Ensure you have a Current Backup of your Data once all the reports have been printed for the financial year before proceeding with the End of Year Rollover.

Path: Payroll → Payroll End of Month

The Payroll End of Year is processed through the **End of Month** procedure which will roll the system into the first period of the next financial year, i.e. July 2009-2010.

To complete the rollover follow the steps below:

1.	Period End Date	Enter the date for the end of the financial year.
2.	Current Period	Must be June 2008-2009 . If not, you will have to roll your Payroll into this period prior to proceeding with the End of Year.
3.	Delete Transactions Prior To	Will default to 5 years prior which complies with ATO Regulations. However, this field can be edited if you wish to keep earlier transactions on the system. Note: Transactions up to this date will be deleted from the PCSchool system.
4.	Next Period	Will default to July 2008-2009 .
5.	Next Period Year Desc	Type in 2009-2010 .
6.	Clear Fringe Benefit Totals	Tick to clear Fringe Benefits Totals entered against employees for the purpose of reporting on the 08-09 financial year.
7.	Report Selection	Leave as Payroll End of Month Report.
8.	Output destination	Select to Print to Window.
9.	Report Detail	Select Detail or Summary.
10.	Perform Period End	Click to roll your payroll. Confirmation will appear asking if this is a Year End Process. Click Yes . Confirmation will appear asking if you wish to roll Leave Accruals. Click Yes . This will then begin cleanup of prior transactions (Refer Step 3), and all YTD totals will be cleared from the employees' history view in readiness for the new financial year. The End of Month Report produced will be the transactions for the last period of the financial year, i.e. June 09.

Payroll End of Year Rollover is now Complete

At the end of this process your Payroll will be on July 2009-2010.

The screenshot shows the 'Payroll Period End Routine' window. The 'Period Start Date' is 30/06/2008. The 'Period End Date' is 22 May, 2008. The 'Current Period' is July 2008-2009. The 'Next Period' is August 2008-2009. The 'Current Period Year Desc' is 2008-2009. The 'Next Period Year Desc' is 2008-2009. The 'Delete Transactions Prior To' is 30 Jun, 2003. There are checkboxes for 'Reset YTD Accruals' and 'Clear Fringe Benefit Totals'.

The Year to Date figures in the Payroll Employee View - History tab and in the Payroll Control File – System tab will be reset to \$0.00 and your Current Period will now be 1.

The screenshot shows two windows. The 'Payroll Employee View' window displays employee details for WILLIAMS L. The 'History' tab is active, showing YTD figures for Pay, Tax, Allowances, Deductions, and Termination Pay, all at 0.00. The 'Payroll Control Files' window shows the 'System' tab with a table of YTD figures, all at 0.00. The 'Current Period' is set to 1.

	\$ Month to Date	\$ Year to Date
Gross Pay:	0.00	0.00
Tax:	0.00	0.00
Deductions:	0.00	0.00
Allowances:	0.00	0.00
Holiday Loading:	0.00	0.00
Termination Payments:	0.00	0.00
Fringe Benefit:	0.00	0.00
CDEP Payments:	0.00	0.00
oyee Superannuation:	0.00	0.00
mployer Contrib Super:	0.00	0.00

>>>>> **End of Payroll End of Year Tech Tip** <<<<<<<
Created June 2009