



Year-end Guide

GP Payroll

April 2016



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Dear Customer

Welcome to your guide to completing payroll year end 2015/2016.

The guide contains

- Year-end help – step by step instructions for completing and submitting your final **Full Payment Submission/Employer Payment Summary** for the tax year and moving your practice into the new tax year
- **Practice checklist** – you can print the checklist and use it along with the **Year-end Guide**, ticking each step as you complete it
- **Frequently Asked Questions**

Checklist for Year End

- Step 1** Ensure you have installed IRIS GP Payroll version 2016.1
- Step 2** Calculate the final pay period of the 2015/2016 tax year
- Step 3** Issue any outstanding P45s
- Step 4** Create a backup
- Step 5** Submit your **Full Payment Submission**; if you do not need to submit an **Employer Payment Summary** for March, tick **Final submission for this tax year**. The **Questions & Declarations** are visible but you do not need to complete them
- Step 6** Submit your **Final Employer Payment Summary for tax year**, if required, to HMRC
- Step 7** Print P60s from the **End-of-Year Facilities** screen and issue to current employees by 31 May 2016
- Step 8** Print deduction working sheets – P11 from the **End-of-Year Facilities** screen
- Step 9** Produce end-of-year pension statements from the **End-of-Year Facilities** screen
- Step 10** Transfer employees into the next tax year on the **End-of-Year Facilities** screen
- Step 11** Indicate if the Practice is eligible for **Small Employer's Relief**

Year End Procedures

Step 1 Updating GP Payroll

Automatic Update

Update IRIS GP Payroll as soon as possible with the latest Automatic Update (Legislation Critical Update). It will not affect your normal payroll calculations and contains changes you need to complete your end-of-year filing and to move forward into the new tax year.

Please note: release 2016.1 of IRIS GP Payroll includes everything you need for finalising your 2015/2016 year end PLUS all the changes required for running payrolls in the 2016/2017 tax year.

Check for Updates - Automatic

When you log into the software, providing it can establish a link to the **IRIS Online for Practice Managers** website, the system will check for any IRIS GP Payroll software updates. A Legislation Critical Year-End update will be available and you will be given the option to download it. Click 'Yes' to download the update now.

This update **MUST** be installed before performing any Year-End procedures.

By clicking on the **"What's in this update?"** link you are able to view the **Release Notes** associated with this update.

Check for Updates – Manual

There is also a manual process which allows you to check for and download updates at your convenience. This could be useful if you have selected **No** for a non-critical download and you decide that you do want to download it after all. To check for updates go to **Setup Options** and on tab **14 – Upgrades & Support**, click **Check for Updates**.

Downloading Updates

If you select **Yes** to start downloading a new version you can continue to use IRIS GP Payroll while the files are being downloaded, however for the purpose of the Legislation Critical Year End update this is **NOT** recommended.

A progress bar will appear on the screen. If the download stops before completion, for example if your internet connection fails, the next time you log into IRIS GP Payroll it will resume downloading from the point it had reached. If the download is unable to be completed, there are several ways to contact your IRIS Support team to request a CD in order to complete the update.

Pause

There is an option to pause the download, this can be done by right clicking on the download icon on the task bar and selecting **Pause**. The next time you log into IRIS GP Payroll you will receive a prompt to continue with the download.

Stop

The download can be stopped by right clicking on the download icon on the task bar and selecting **Stop**. This will delete any files already downloaded. The next time you log into IRIS GP Payroll you will be prompted to download the update again.

Once the download is complete you will see a message telling you that you can install the update the next time you run IRIS GP Payroll. You need to ensure the Year-End Update is complete prior to starting your Year-End procedures

Install Updates

When you log into IRIS GP Payroll again after downloading the update, you will be prompted to install the downloaded version.

If you choose to install the update the following message will appear **Updating software, please wait...** You will then see a message confirming that the update is complete and displaying the version number, 2016.1. Once you click **OK**, the **Log In** screen will appear.

Loading the upgrade CD

If you requested a CD, load the upgrade CD as soon as possible. It will not affect your normal payroll calculations. It contains changes you need to complete your end-of-year filing and to move forward into the new tax year. This update **MUST** be installed before performing any Year-End procedures.

Please note: IRIS GP Payroll v2016.1 includes everything you need for finalising the 2015/2016 year end PLUS all the changes required for running payrolls in the 2016/2017 tax year

What you should do now:

1. Check that you have an up-to-date backup before loading the CD
2. Place the CD in the CD drive
3. Start IRIS GP Payroll, select **Setup/ Options** and click on the tab **14 – Upgrades & Support**
4. Select the CD drive from the drop-down list of available disk drives and click **OK**
5. Follow the on-screen instructions until the upgrade is complete – IRIS GP Payroll closes when it has finished
6. Start IRIS GP Payroll again and check that the version number on the top line of the screen is now **Version 2016.1**

Step 2 Do payroll runs

Calculate your final pay period of the 2015/16 tax year

Step 3 P45s

Issue any P45s for employees you do not intend to pay in the 2015/2016 tax year because you will not be able to do this after you **Transfer employee details into the next tax year**

Step 4 Back up your 2015/2016 data

Follow your usual back-up routine

Please note: If you intend to send an **Employer Payment Summary** this month to HMRC to indicate any adjustments due to statutory payments reclaimed/recovered, **No employees paid in Current Month** or **No employees will be paid in future months**, send your normal FPS then skip to **Step 6**. If you do not need to send an EPS, please follow **Step 5** to submit your final FPS then skip to **Step 7**

Step 5 Send Final FPS for this tax year

From the **RTI Submissions** button; select **Full Payment Submission (FPS)**, then click **Next** and tick **Final submission for this tax year**. The Questions & Declarations will be visible but do not require completion.

- 5.1 Check the figures on the **Full Payment Submission – Final Confirmation** screen. Click **Print Summary** and/or **Print Details** to print a copy for your records, if you wish
- 5.2 Click **Send** to submit the Full Payment Submission. Go to **Step 7**

Step 6 Send Full Payment Submission then Final Employer Payment Summary for tax year

Follow this step if you need to send a **Final Employer Payment Summary for tax year** to HMRC to indicate adjustments due to SMP, SAP, SPP or ShPP reclaimed/recovered in the final pay period or **No employees paid (no Tax & NIC liability)** this month:

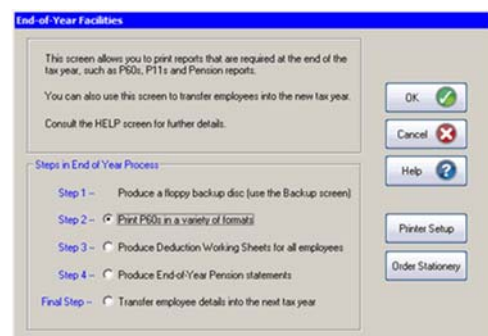
- 6.1 Send your FPS following your normal procedures, ensure you have sent an FPS for Month 12 making sure **Final submission for this tax year** is not ticked
- 6.2 Send your Final EPS. Click **RTI Submissions** and choose **Employer Payment Summary (EPS)** then click **Next**
- 6.3 Select **Final Employer Payment Summary for tax year** then **Next**
- 6.4 Check the figures on the **Employer Payment Summary** values screen and amend the values if necessary. The Questions and Declarations will be visible but do not required completion
- 6.5 Check the values on the **Employer Payment Summary – Confirm year to-date values** screen and click **Print** if you require an **EPS Confirmation** report. Click **Send** to submit to HMRC

Step 7 Print P60 year-end forms

Click on the **End of Year** button on the main option screen. This presents the menu of tasks to be carried out at the end of the year.

Select **Step 2, Print P60s in a variety of formats**.

P60s are given to all current employees. Give only one P60 to an employee, even if that employee has had more than one period of employment with you in the tax year. The P60 should be the one which covers the end of the tax year.



P60 forms, which are guaranteed to fit your IRIS GP Payroll software, are available from IRIS. Please call 0844 815 5660 for more information.

If you are publishing P60s using IRIS AE Suite™, select **Print employee P60s onto blank A4 paper** then **OK** then **Publish**.

Step 8 Print P11s

Print P11s (Deduction Working Sheets) from the **End-of-Year Facilities** screen for your records

Step 9 NHS pension agency returns - Produce End-of-Year Pension statements

Pension annual returns are produced using the fourth option (**Produce End-of-Year Pension statements**) of the **End-of-Year Facilities**. The same summaries can be printed from the **Print Output/Export Data** screen by selecting **Pension Summaries** and choosing the third option **Summary of employee payments**.

Please note: We advise you to print paper copies of the employees' annual pension statements and retain them for 3 years (as with P11s). These printed summaries can be useful if an employee leaves the practice and the Pension Agency then requests information about previous years' contributions. This happens frequently and although it is possible to load previous years' payroll data to extract this information, it is easier to keep copies of the annual pension statements.

The **England/Wales NHS Pension Agency** no longer issue paper SD55s for completion; employee SD55 details must be entered via the internet. Go to the **Pension Online (POL)** section on the NHS Pensions website.

IRIS GP Payroll allows you to print an SD55 form for each employee. The printed version has been designed to resemble the agency's web-based form. You can use the information on the printed SD55 to complete the online SD55.

The Northern Ireland NHS Pension Agency

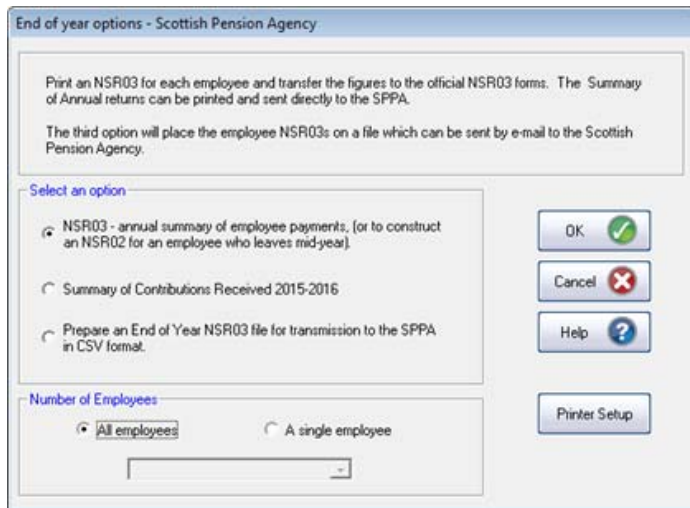
IRIS GP Payroll prints an annual pension schedule for all employees in the scheme. The figures must be transferred manually to the official forms supplied by the Northern Ireland Pension Agency.

Please note: We advise you to print paper copies of the employees' annual pension statements and retain them for 3 years (as with P11s). These printed summaries can be useful if an employee leaves the practice and the Pension Agency then requests information about previous years' contributions. This happens frequently and although it is possible to load previous years' payroll data to extract this information, it is easier to keep copies of the annual pension statements.

The Scottish NHS Pension Agency (SPPA)

IRIS GP Payroll can send the employees' annual pension returns to the **Scottish Public Pensions Agency** (SPPA) in an electronic form. A file containing all NSR03 details can be sent to the SPPA as an email attachment.

When a Scottish practice selects the fourth option of the end-of-year menu (**Produce End of Year Pension statements**) a new screen will appear:



The first option will print **NSR03s** in the normal way.

The second option will print the **Summary of Contributions Received** which is now required by the SPPA.

The third option will create a **CSV file** (SPPA1516.CSV) which will contain all employee NSR03 information and can be transmitted to the SPPA.

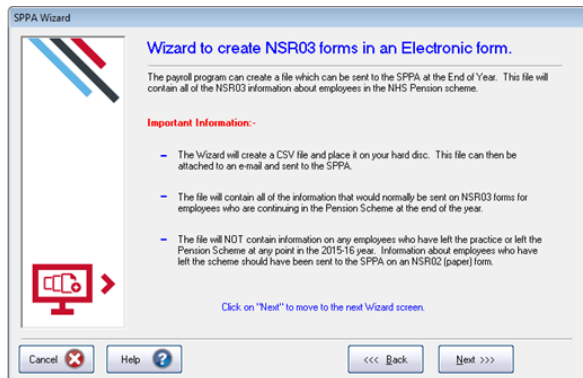
To print the NSR03 reports select the first option **NSR03 – annual summary of employee payments**. It is possible to transmit this information to the agency electronically (see below), but we strongly recommend that you also print paper copies and retain them for 3 years. If you do not wish to use the new electronic facility you must transfer the information onto the official NSR03 forms and post them to the agency.

The agency also requires a **Summary of Contributions Received** which lists all employee and employer contributions over the 12 months. The second option on this screen will print this annual summary onto a single A4 sheet (this single page summary cannot be transmitted electronically).

Electronic Annual Pension Returns (Scottish Pension Agency)

The third option in the above screen starts a wizard which creates the electronic file for SPPA. This file (SPPA1516.CSV) will contain all of the information which would normally be copied onto paper NSR03 forms.

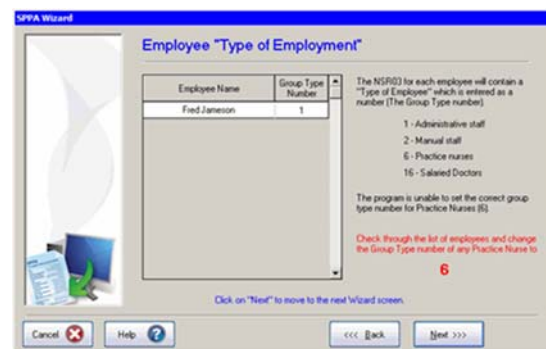
The first screen describes the steps in this process:



The file will only gather data for employees who continue in the NHS scheme at the end of the year. Those who have left the practice or left the pension scheme before the end of the year should already have had a **leaver form** (NSR02) sent (on paper).

IRIS GP Payroll checks that employee Superannuation Numbers and Employment Numbers (also known as Contract Numbers) are present and are in the correct format. If any of these numbers are incorrect you will need to return to the employee's pension screen and correct the error. If any numbers are incorrect or missing please contact the SPPA helpline on **01896 893 000** and ask for the NHS Service Team.

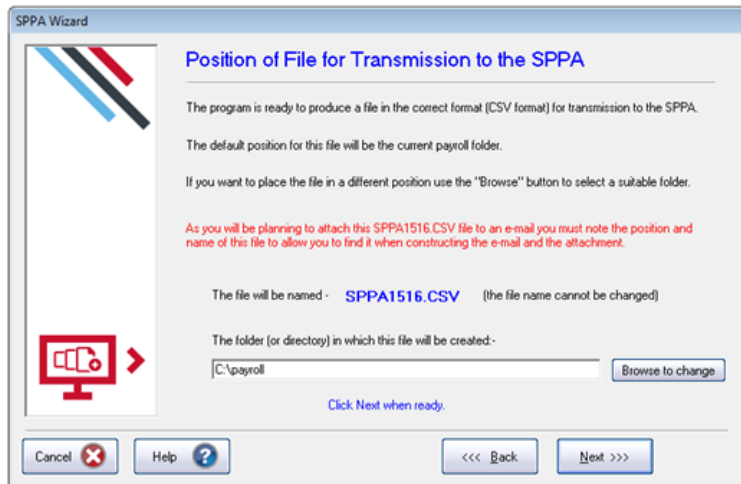
The second and third screens allow you to make a necessary adjustment for practice nurses:



The NSR03 form has a field for **Type of Employee** (the **Group type number**). This should be 1 for administrative staff, 2 for manual staff, 6 for nurses and 16 for employed doctors.

IRIS GP Payroll has sufficient information to identify groups 1, 2 and 16 but at present it cannot identify nurses and allocate the correct group type number - they will initially appear with a group type number 1. In wizard screen 3 you need to check the employee names, identify any nurses and change their group type number to 6.

The next screen defines where the electronic file (SPPA1516.CSV) will be stored.



The default position for the electronic file will be the folder (directory) of IRIS GP Payroll. If you would prefer a different location use the **Browse to Change** button.

The file must be sent as an email attachment.

When you click on **Next** the file SPPA1516.CSV will be placed in the folder that you have selected.

Sending the electronic file (SPPA1516.CSV) to SPPA

Attach the file to an email and send it to **RMTsppa@scotland.gsi.gov.uk**

The subject line should include the text **GP Practices Returns 15/16** followed by the Practice Reference Number

The Practice Reference Number (e.g. AP00031) was issued to the practice by the agency and can be found in the **Setup/ Options** screen 4.

In the body of the email add:

- Practice name and address
- A contact name and telephone number
- A contact email address

Step 10 Transferring employees into the new tax year

The final step at the end of the year is to transfer the employee files into the new tax year. This is the last option on the end-of-year menu. It is important that all tasks relating to the 2015/2016 tax year have been completed before this option is selected.

In particular:

- You must produce a P11 (Deduction Working Sheet) for every employee and retain them for 3 years. This can be done from the end-of-year menu
- You must take a backup to store the full year's payroll data
- You should print a copy of the employee annual pension summaries and retain them for 3 years

When you select the last option of the end-of-year menu (**Transfer employee details into the next tax year**) IRIS GP Payroll will create a copy of the current software and data on a separate area of your computer's hard disk. You will be able to access this copy from the new 2016/2017 payroll system. This will allow you to examine the 2015/16 data without having to restore the software and data. Although you create a copy on the hard disk you must also take a separate backup of payroll data – this will be your fall-back system if your hard disk is damaged.

The transfer to the new tax year will then take place. Employees with a leaving date will be removed. Employee files will be transferred to the new tax year with the same basic data. Tax codes with a month 1 status will be changed to the normal cumulative code.

The **Transfer employee details into the next tax year** option will also apply all the changes necessary for the coming 2016/2017 tax year. Employees with an L tax code will have their code uplifted automatically by 40 points, for example 1060L will be changed to 1100L, M will increase by 44 points and N by 36 points. All other amended rates and limits for NI, tax and statutory payments will also be applied automatically, as well as other legislation changes and several enhancements to the software. For a comprehensive description of all changes in IRIS GP Payroll version 2016.1 please see the **Release Notes** document which can be printed from the main screen **Release Notes** button or downloaded [here](#).

Step 11 Small Employer Relief

To qualify for Small Employer's Relief the total amount of NIC paid by the practice in the previous tax year (i.e. 2015/2016) must be less than the Small Employer's Relief threshold, which is currently £45,000. If your practice no longer qualifies you must click on **Setup/ Options**, click on the **1 - Program Options** tab and select the option **The practice IS NOT eligible for Small Employer's Relief**.

Common problems

System error (1000) - This will appear if HMRC's Gateway is not operating. Try re-submitting after a couple of hours.

Communication error -This occurs because your computer cannot establish a communication link with HMRC.

1. Check if you can use Microsoft Internet Explorer to connect to the internet. If Microsoft Internet Explorer also fails there is a problem with your connection to the internet. You need to correct the problem then try sending your submission again.
2. If the internet is working but IRIS GP Payroll cannot link to HMRC's Gateway, the security settings on your computer or network may be blocking the type of communication required for eFiling. The security settings causing this problem could be in your firewall, which might be on your PC, the practice network or on the Local Health Authority network. You will need to consult the IT expert who is responsible for your computer security. The type of communication required for eFiling is high security mode; to use this firewall(s) must have PORT 443 open. Normal internet browsing is possible with this port closed, but the high security link to HMRC will fail.

FAQs

1. Do you have to give P60s to employees who have left the practice?

No. You should only give P60s to employees still working for you on 5th April.

2. What do you do if two or more P60s are produced for one employee?

You should give the latest P60 to the employee, and destroy the other copies.

3. Why is the pay in this employment entry on P60s less than the employee's gross pay when the employee is in the NHS pension scheme?

This figure shows the taxable pay. The employee's pension contributions have been subtracted from the gross pay to arrive at this figure.

4. Why is there an X national insurance letter on some P60s?

HMRC expects an X code to be entered if the employee's earnings are below the Lower Earnings Limit (LEL) for national insurance, irrespective of the national insurance code allocated to the employee.

5. Why does the SD55 online form (English/Welsh pension return) sometimes question the entry for employee's total annual rate of pensionable pay?

The England/Wales NHS Pension Agency website uses a different method of assessing this figure. It is not a critical figure. The pension agency accepts that the payroll software estimate is correct. Any warning can be overridden.

6. I have transferred employee details into the next tax year and installed IRIS GP Payroll version 2016.1. However, when I try to restore previous years' payrolls to view the data for 2015/2016 there are no figures showing for the employees.

This usually means that you have transferred employees into the next tax year twice. To retrieve the data (when in previous years' payrolls) you need to restore the backup you made before you carried out end-of-year procedures. This will restore all the data and also retain it should you need to return to this year's data at another time.

7. How do I change my eFiling registration details?

Occasionally it is necessary to change details that have been entered in an earlier registration.

1. Click **here**
2. In the **Existing users** section enter your existing user ID and password
3. The next screen gives you access to your account. This screen will allow the details of the practice to be changed

If it is not possible to log on with your existing user ID and password it is likely that you will have to go through the registration process again. Check with the Employer Helpline (**0300 200 3200**) and follow the instructions above if you have to re-register.

Additional Software and Services Available

IRIS AE Suite™

The IRIS AE Suite™ works seamlessly with all IRIS payrolls to easily manage auto enrolment. It will assess employees as part of your payroll run, deduct the necessary contributions, produce files in the right format for your pension provider* and generate the necessary employee communications.

IRIS OpenPayslips

Instantly publish electronic payslips to a secure portal which employees can access from their mobile phone, tablet or PC. IRIS OpenPayslips cuts payslip distribution time to zero and is included as standard with the IRIS AE Suite™.

IRIS Auto Enrolment Training Seminars

Choose from a range of IRIS training seminars to ensure you understand both auto enrolment legislation and how to implement it within your IRIS software.

Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600	Tel: 0300 200 3200
Fax: 0844 366 7828	Tel: 0300 200 3211 (new business)
Email: helpdesk@ir-efile.gov.uk	

Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls
Tel: 0844 815 5700	Tel: 0844 815 5677
Email: sales@iris.co.uk	Email: earniesales@iris.co.uk

Contact support

Your Product	Phone	E-mail
IRIS PAYE-Master	0844 815 5661	payroll@iris.co.uk
IRIS Payroll Business	0844 815 5661	ipsupport@iris.co.uk
IRIS Bureau Payroll	0844 815 5661	ipsupport@iris.co.uk
IRIS Payroll Professional	0844 815 5671	payrollpro@iris.co.uk
IRIS GP Payroll	0844 815 5681	support@gppayroll.co.uk
IRIS GP Accounts	0844 815 5681	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0844 815 5671	support@earnie.co.uk