IRIS Payroll Business

Conversion Guide

18/02/2014

Contents

Introduction

This guide explains how to convert your data from IRIS PAYE-Master to IRIS Payroll Business. It details what is converted and what is not, and explains how to resolve some of the issues that may arise from running the Conversion program.

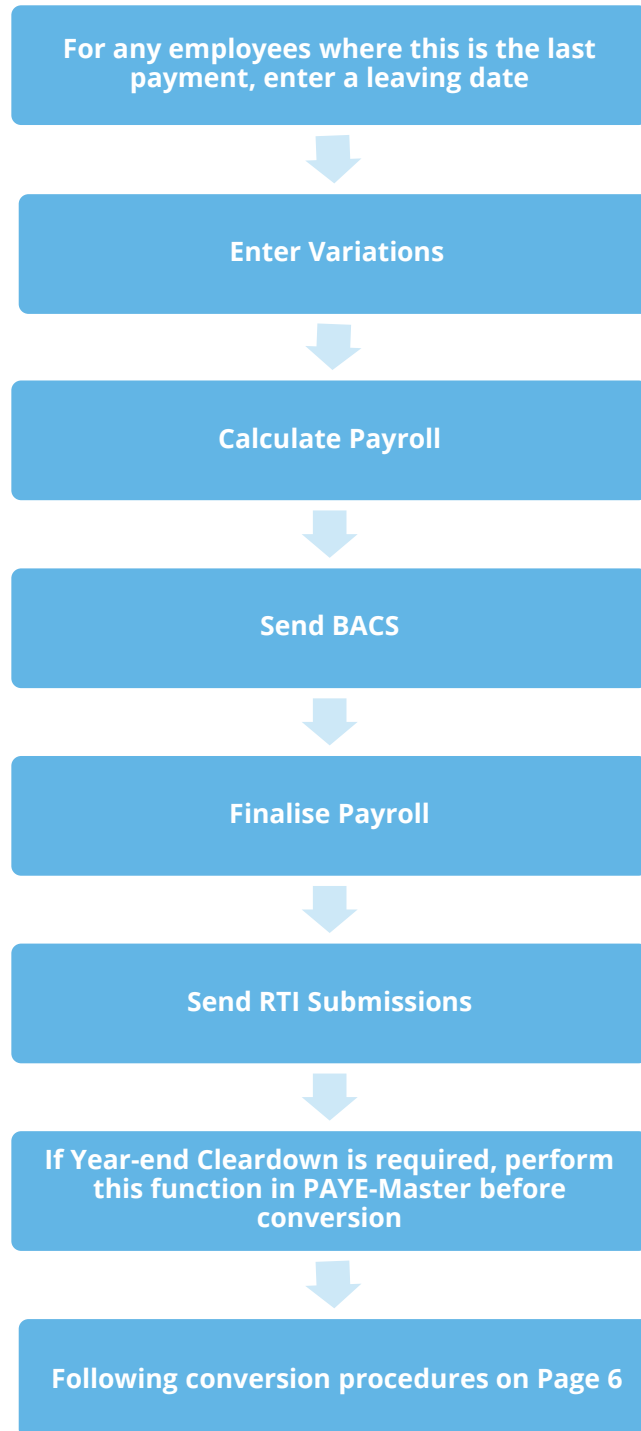Please read this entire guide before beginning the Conversion.

If you have any questions on this guide or difficulties with converting, please don't hesitate to contact our Support department who will be happy to help you.

You can call them on 0844 815 5661 (option 4) or contact them at
www.iris.co.uk/contactsupport

Before Converting

Before you run the conversion program we strongly recommend that you view the tutorial **Getting to Know Your IRIS Payroll**. It will introduce you to features of the product that you may not be familiar with, such as the **Work Pad** and **Selection Side Bar**. You will need to be able to use these features to complete the conversion process.

Steps to follow prior to conversion if you have RTI enabled

For any employees where this is the last payment, enter a leaving date

↓

Enter Variations

↓

Calculate Payroll

↓

Send BACS

↓

Finalise Payroll

↓

Send RTI Submissions

↓

If Year-end Cleardown is required, perform this function in PAYE-Master before conversion

↓

Following conversion procedures on Page 6

What is converted?

- Employee Details
- Default Employee settings
- Pay Calendar
- Year to Date amounts
- Additions and Deductions, Pensions and Attachment of Earnings Orders
- Hourly Rates and Multiplication values
- Statutory Payments – SMP/SAP/SPP
- Agency/Beneficiary details
- Pension Fund details
- Auto Enrolment Details
- RTI Fields
- Holiday Entitlement
- For each month where, under RTI, the **Employer Payment Summary** has been sent to HMRC, the following year to date values will also be converted

  - SMP Recovered
  - SMP Compensation
  - OSPP Recovered
  - OSPP Compensation
  - ASPP Recovered
  - ASPP Compensation
  - SAP Recovered
  - SAP Compensation
  - CIS Suffered

- Employment Allowance

> The total **Employment Allowance** will be converted from IRIS PAYE-Master. If you are converting mid-year, in IRIS Payroll Business, enter the value already claimed for the tax year in **HMRC | Month end Summary (P32)**, **Initial Figures**

What is not converted?

- Holiday Pay Rate Details

- SSP Amounts

- PAYE Remittance Report Amounts

- Before Tax Payments/Deductions *****

- After Tax Payments/Deductions *****

* Year To Date values may be incorrect on the Payroll Summary with Year To Dates report when converting from IRIS PAYE-Master. This is because IRIS PAYE-Master does not hold these values.

Converting the payroll data

> In IRIS PAYE-Master make sure you have completely finalised the payroll for each company you wish to convert BEFORE attempting to run the conversion program.

Make sure you have installed and licensed IRIS Payroll Business. Ensure that both IRIS PAYE-Master and IRIS Payroll Business are closed before you start the conversion program.

1. Click on the Windows **Start** button, click on **All Programs**, click **IRIS Payroll Business** then click **PAYE-Master Conversion**.

2. On the **Conversion Log In** screen you are asked to enter the Admin password for IRIS Payroll Business before you can proceed. Unless you have changed it, the Admin password is **admin**. (If you have changed the Admin password and can't remember it, please contact Support and ask for a break-in password.)
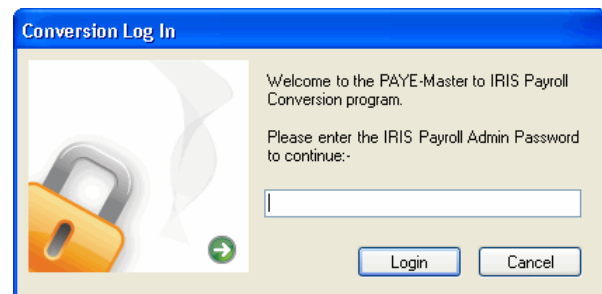
   Click **Login**.

   The program then checks the IRIS Payroll Business licence details to make sure the number of companies due to be converted does not exceed your new licence.

3. The next screen displays a list of your IRIS PAYE-Master companies along with:

   ▪ current and converted data locations
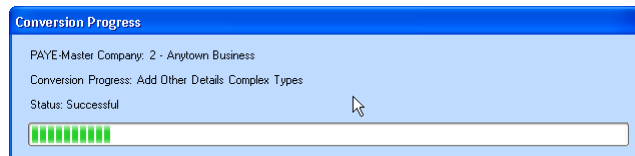
   ▪ finalised status

   ▪ convert option

   Any companies which have not been finalised in IRIS PAYE-Master are shown in the list without a tick in the **Finalised** box. These companies must be finalised in IRIS PAYE-Master before you can convert them.
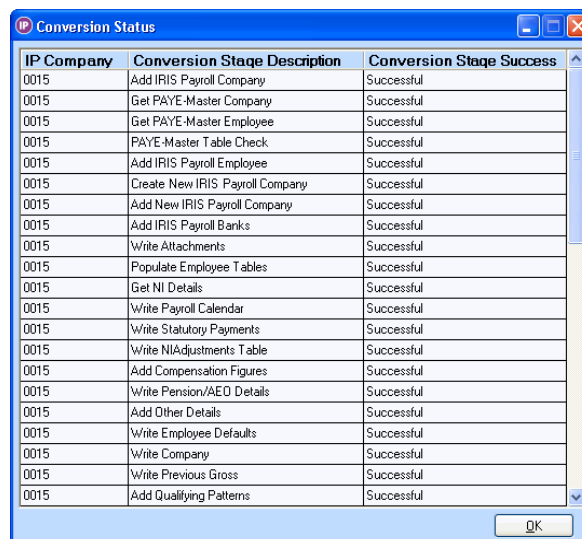
4. At this point it is possible to change where the converted data will be saved, if needed. To do this, click in the **Converted Company Location** column. A browse window will open, allowing you to select a new location. Click elsewhere on the screen to refresh the display.

5. To select the companies you want to convert you can either click the **Select All** button or click the relevant boxes in the **Convert?** column. When you have selected all the companies you want to convert, click the **Convert** button.

6. You will see a progress indicator as the data is converted:

> Conversion Progress
>
> PAYE-Master Company: 2 - Anytown Business
>
> Conversion Progress: Add Other Details Complex Types
>
> Status: Successful

If the conversion was unsuccessful, you will see an error message.

If this happens, please contact support on **0844 815 5661 (option 4)** in the first instance.

7. If no errors are found, a message will appear telling you that the conversion process is complete. Click **OK** and the **Conversion Status** screen will appear:

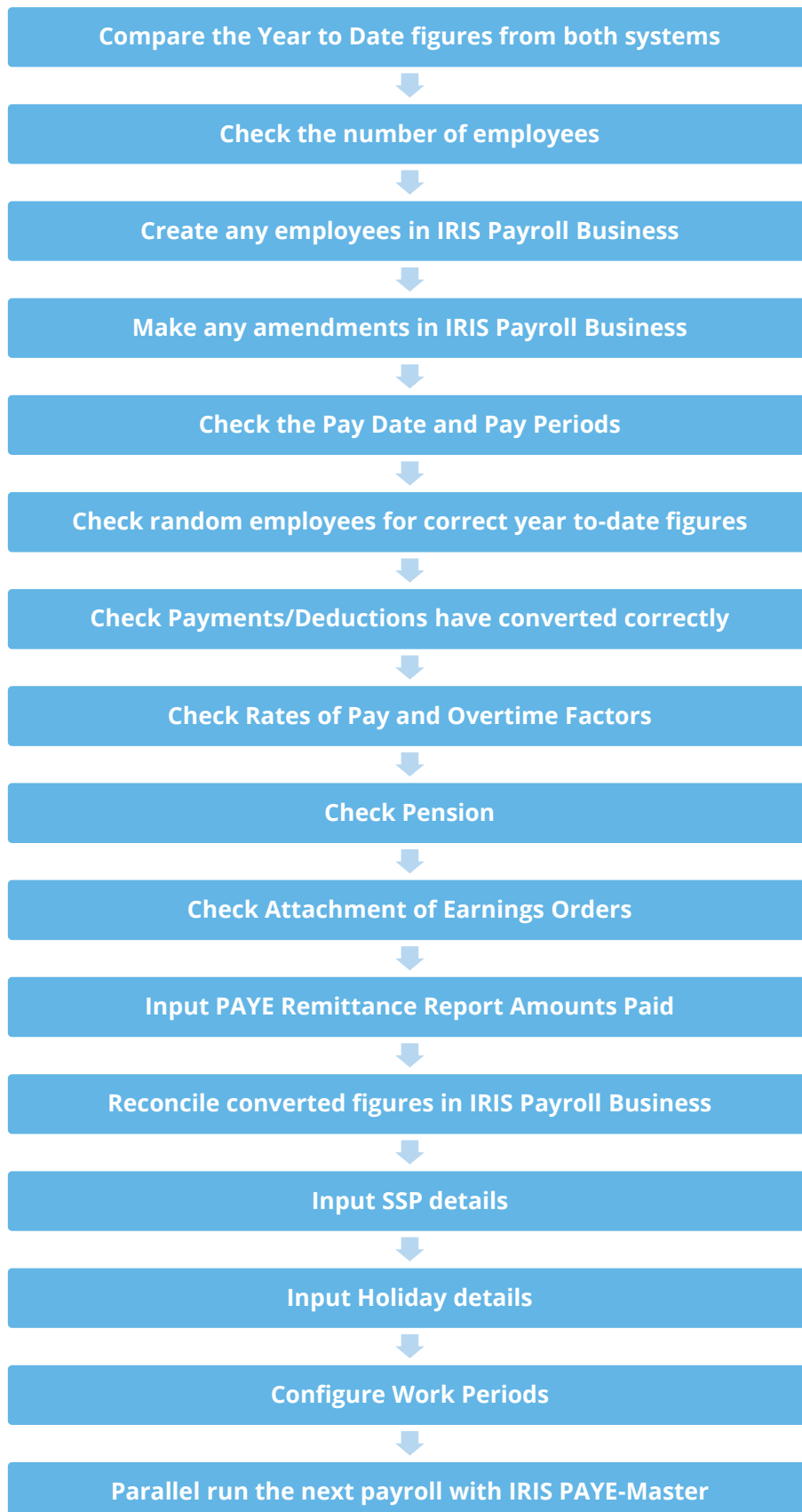8. Click **OK** to end the conversion program.

IP Company	Conversion Stage Description	Conversion Stage Success
0015	Add IRIS Payroll Company	Successful
0015	Get PAYE-Master Company	Successful
0015	Get PAYE-Master Employee	Successful
0015	PAYE-Master Table Check	Successful
0015	Add IRIS Payroll Employee	Successful
0015	Create New IRIS Payroll Company	Successful
0015	Add New IRIS Payroll Company	Successful
0015	Add IRIS Payroll Banks	Successful
0015	Write Attachments	Successful
0015	Populate Employee Tables	Successful
0015	Get NI Details	Successful
0015	Write Payroll Calendar	Successful
0015	Write Statutory Payments	Successful
0015	Write NIAdjustments Table	Successful
0015	Add Compensation Figures	Successful
0015	Write Pension/AEO Details	Successful
0015	Add Other Details	Successful
0015	Write Employee Defaults	Successful
0015	Write Company	Successful
0015	Write Previous Gross	Successful
0015	Add Qualifying Patterns	Successful

What you need to do now in IRIS Payroll Business

Important steps after conversion

After successfully completing the conversion open IRIS Payroll Business and do the following:

- **Compare the Year to Date figures from both systems**
- **Check the number of employees**
- **Create any employees in IRIS Payroll Business**
- **Make any amendments in IRIS Payroll Business**
- **Check the Pay Date and Pay Periods**
- **Check random employees for correct year to-date figures**
- **Check Payments/Deductions have converted correctly**
- **Check Rates of Pay and Overtime Factors**
- **Check Pension**
- **Check Attachment of Earnings Orders**
- **Input PAYE Remittance Report Amounts Paid**
- **Reconcile converted figures in IRIS Payroll Business**
- **Input SSP details**
- **Input Holiday details**
- **Configure Work Periods**
- **Parallel run the next payroll with IRIS PAYE-Master**

1. Compare the Year To Date Figures from both systems

In IRIS Payroll Business click on the **Reports** tab, click **Year-end Reports** and select **Year to Date Summaries**. Use the first section of this report, the **YTD Summary Page 1**. In PAYE-Master use the YTD figures on the **Payroll Summary** (ensure that you include leavers). The following pairs of figures should be equal:

IRIS PAYE-Master	IRIS Payroll Business
Tax'l Pay YTD-This	This Employment Gross
Employee Deductions Tax YTD-This	This Employment Tax
Employee Deductions NI YTD-This	National Insurance Employee
Employer's NI	National Insurance Employer
Tax'l Pay Prev Empt	Previous Employment Gross
Employee Deductions Tax Prev Empt	Previous Employment Tax

2. Check the employees

In IRIS Payroll Business, print the **Department Listing** report: click on the **Reports** tab, click **Report Manager**, select the **Company** category then highlight **Department Listing** and click the arrow button to add the report to the **Company Reports** menu. Click **Save** then **Close**. On the **Reports** tab click **Company Reports** then select **Department Listing**. In IRIS PAYE-Master print the **Employee List** report: click on the **Reports** menu, choose **Report Selector**, highlight **Employee List** and click **OK**. Use these two reports to check that all your employees have been transferred and are in the correct departments.

3. Check the Pay Date and Pay Periods

Check that the **Pay Date**, **Period Last Calculated** and **Period Last Finalised** are correct for each pay frequency: in IRIS Payroll Business click on the **Work Pad** tab on the right-hand side of the main window. In IRIS PAYE-Master this information is on the **Payroll Status Bar** – if it is not shown click on the **Utilities** menu and select **Payroll Status**.

4. Check random employees for correct to-date figures

On the **Selection Side Bar**, double-click on an employee in the list to open the **Employee Details** screen. Click on the **To-Date** tab and check the figures. In IRIS PAYE-Master, check the totals on both the **Tax Details** tab and the **N.I. Details** tab in the **Employee Details** screen.

5.   Check Payments and Deductions

The PAYE-Master Additions/Deductions from 1 to 10 are reserved so they are converted differently. All other PAYE-Master Additions/Deductions which are not 'Unused' are converted into IRIS Payroll Business **Payments and Deductions**. This includes any Additions/Deductions which are used as hourly rates, although they are also converted into **Hourly Rates** and **Overtime Factors** (see the next step for more information). To view the **Payments and Deductions** click on the **Company** tab, click **Payments & Deductions** then select **Configure Payments & Deductions**.

If an employee has a standard amount set up for an Addition/Deduction in the PAYE-Master **Variations** screen it will be converted into IRIS Payroll Business. To view the **Payments and Deductions** set up for an employee, double-click in the employee's name in the **Selection Side Bar** to open the **Employee Details** screen, click on the **Pay Elements** tab then click on the **Pay Deds** tab below it.

Not Converted

Only the Additions/Deductions that were entered in the **Std Amount** column in the PAYE-Master **Variations** screen are converted. Any Additions/Deductions you entered in the **Temp Amount** column are not converted.

IRIS Payroll Business keeps track of the year-to-date figures for **Payments and Deductions** but this information is not available in PAYE-Master so it cannot be converted. Year-to-date amounts can be added to IRIS Payroll Business manually after the conversion by typing directly into the **Year To-date** column in each employee's details.

6.   Check Rates of Pay and Overtime Factors

Standard payments for **Hours** are converted into **Hourly Rates** and **Overtime Factors** in IRIS Payroll Business. The **Pay Description** is converted into an **Hourly Rate** and the **Multiple** (or **Mult O'Ride** in the **Variations** screen) is converted into an **Overtime Factor**. (The **Pay Description** is also converted into a **Payment** although you probably will not need to use it.) The **Hourly Rates** and **Overtime Factors** are used in the employee's details to define his standard pay.

If you use the **Multiplier** field as a **Rate per Hour** will need to adjust the **Hourly Rates** and **Overtime Factors** manually in IRIS Payroll Business.

To see the **Hourly Rates** and **Overtime Factors** in IRIS Payroll Business click on the **Company** tab and click **Hourly Rates**. To check the employee's pay details, double-click on the employee's name in the **Selection Side Bar** to open the **Employee Details** screen, click on the **Pay Elements** tab then click on the **Salary & Rates** tab below it.

The name of the **Overtime Factor** will be set to **Time & Half** for an entry of 1.5, **Time & Third** for an entry of 1.33 or 1.333, **Time & Quarter** for an entry of **1.25**, **Double Time** for 2.0 and **Triple Time** for entries of 3.0. Any less common multiples will have the actual figure as the name, for example if the **Multiple** in PAYE-Master is 2.6 the name of the **Overtime Factor** will be **2.6000**. You can amend the name if required.

Not Converted

Only the hours that were entered in the **Std Amount** column in the PAYE-Master **Variations** screen are converted. Any hours you entered in the **Temp Amount** column are not converted.

IRIS Payroll Business keeps a running total of the hours to-date and the amount paid to-date but this information is not available in PAYE-Master so it cannot be converted. To-date amounts can be added to IRIS Payroll Business manually after the conversion by typing directly into the **Hours To-date** and **£ To-date** columns in each employee's details.

> **Important Note**: Only twelve **Overtime Factors** will be created. If there are more than twelve in PAYE-Master, the employee will still have the standard hours configured but using the twelfth multiplication **Factor**.
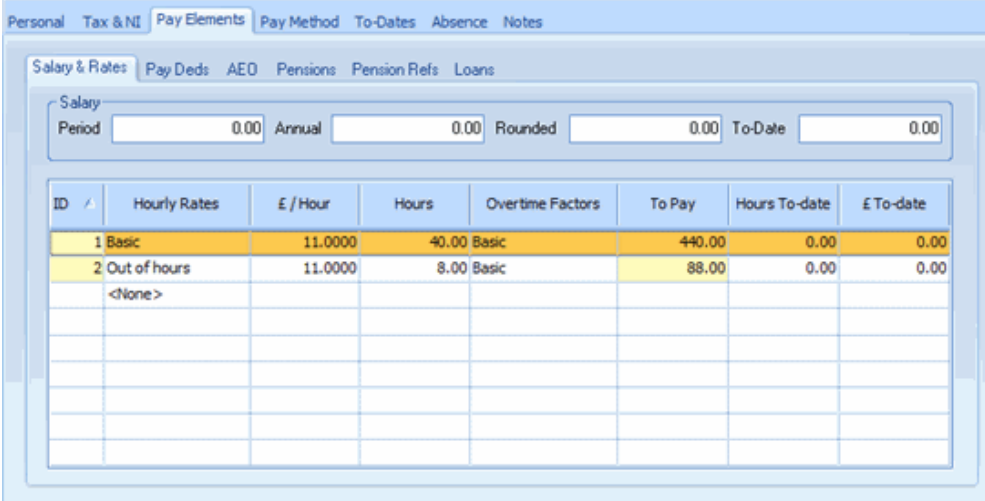
Example

Pay Code	Pay Description	Pay Type	Std Amount	Hours	Temp Amount	Hours	Mult O'Ride	Hold
1	Basic Pay	Add	440.00	☐		☐	0	☐
11	Out Of Hours	Add	8.00	☑		☐	1.5	☐
				☐		☐		☐
				☐		☐		☐

In PAYE-Master an employee's standard pay is made up of two elements: his **Basic Pay** of 40 hours at £11.00 per hour; plus an **Out Of Hours** payment which is set up as **Hours** with a value of 8 and a multiplication factor of 1.5, i.e. 8 hours at time and a half.
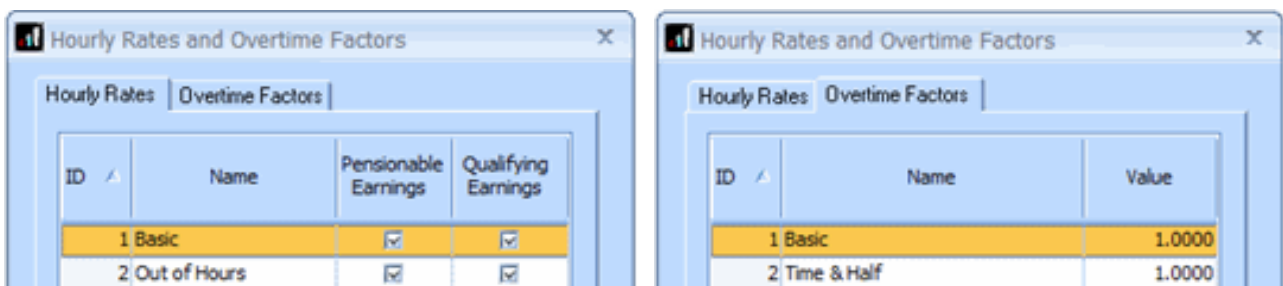
In IRIS Payroll Business the **Basic Pay** element is converted to an **Hourly Rate** called **Basic Pay**; it uses the existing **Overtime Factor** called **Basic** which always has a **Value** of 1. For the second pay element another **Hourly Rate** is created with the name **Out of Hours** and an **Overtime Factor** is created with the name **Time & Half** for which the multiplication factor is 1.5.

In the **Employee Details** screen the both pay elements are included in the employee's normal payment details.

7. Check Pensions

To view the **Pensions** and **Pension Fund Details** that have been converted from IRIS PAYE-Master click on the **Company** tab and click **Payments & Deductions** – this menu has options for both **Configure Pension** and **Pension Fund Details**.

To check the pension details for each employee, double-click on the employee's name in the **Selection Side Bar** to open the **Employee Details** screen. Click on the **Pay Elements** tab then the **Pensions** tab below it.

Pension Names

The name for the pension in IRIS Payroll Business will be made up of the **Fund Description** and the **Pension Type**, with either **Ees** or **Ers** added to it, depending on whether it is an employee or employer contribution. This means you may have more than one pension in IRIS Payroll Business with the same name, if you had very similar pensions configured in PAYE-Master. To make it easier to tell them apart, you can amend the name in IRIS Payroll Business if you choose: click on the **Company** tab, click **Payments & Deductions**, select **Configure Pension** then click on the pension you want to amend and click **Edit** – the **Edit Pension** screen opens – simply type the new name in the **Name** field.

Automatic Enrolment Fields

Check the following fields in **Employee Details | Pay Elements | Pensions**

- Worker Status
- Automatic Enrolment Date
- Deferral Date
- Opt-Out Date

Not Converted

Some of the **Pension Fund Details** information is not converted:

- Last Payment
- Next Payment Due
- Special Tax Rules

If a pension deduction in IRIS PAYE-Master has more than one payment type (i.e. some deductions are percentage-based and some are fixed value) two separate pensions will be created in IRIS Payroll Business: one will have the **Method** set to **Percentage** and one will be set to **Value x Periods Paid**. However, both pensions will have the same name. You can change the name of one or both of them – click on the **Company** tab, click **Payments & Deductions**, select **Configure Pensions**, click on the pension you want to amend and click **Edit**. The pension name in each employee's details is amended automatically when you change it at company level.

For more information about **Pensions** in IRIS Payroll Business, click on the **Help** tab and click on **Manual**. In the Online Manual, open the **How To Use IRIS Payroll Business** section, open **How to Configure Elements of Pay** and read **How To Configure a Pension**.

8. Check Attachment of Earnings Orders

To view the **Attachment of Earnings Orders** and **Agency/Beneficiaries** that have been converted from IRIS PAYE-Master click on the **Company** tab and click **Payments & Deductions**. To check the details for each employee, double-click on the employee's name in the **Selection Side Bar** to open the **Employee Details** screen. Click on the **Pay Elements** tab then the **AEO** tab below it. Highlight the name of the attachment then click **Edit**.

The title will be taken from the **AEO Type** field

> **Important Note**: AEOs will not be converted if the **Status** is set to **On-Hold Indefinitely** or **On-Hold Y/End Delete** or if the **Remaining** amount is zero.

For more information about AEOs in IRIS Payroll Business, click on the **Help** tab and click on **Manual**. In the Online Manual, open the **How To Use IRIS Payroll Business** section and read **How To Set Up an Attachment of Earnings Order**.

9. Input PAYE Remittance Report Amounts Paid

You need to enter the amounts from your **PAYE Remittance Reports** in PAYE-Master into the **Month End Summary** screen in IRIS Payroll Business. If you converted from PAYE-Master part of the way through a Tax Month there are additional steps.

a1)   calculate the total amount of tax, gross NI, SSP etc that has been paid or is still due to HMRC for payrolls run in PAYE-Master

a2)   if you converted part of the way through a tax month include the figures for the part month in the totals in step a1)

b)   enter those figures into IRIS Payroll Business. Click on the **HMRC** tab and click **Month end Summary (P32)**. The **Month End Summary** screen opens. In the **Initial Figures** line, enter the total amounts of tax, gross NI etc.

c1)   IRIS Payroll Business automatically calculates the total due to HMRC and puts it in the **Amount Due** column. It also puts this figure in the **Actual Paid** column

c2)   if you converted part of the way through a month you will not have paid the full **Amount Due** to HMRC yet so you need to amend the figure in the **Actual Paid** column to show what was actually paid to HMRC. The following month you need to amend the **Actual Paid** figure for that month as well, to add in the amount that was processed in PAYE-Master but not paid to HMRC

Example:

PAYE Remittance Reports for Tax Month 1 and part of Tax Month 2:

Month 1

Month 2

- Add together the **Gross NI** figures from the two reports and enter the total, 1470.76, into **Gross National Insurance Contribution (NICs)** column in the IRIS Payroll Business **Initial Figures**.

- Add together the **Tax** on the two **PAYE Remittance Reports** and enter the total 1106.00 in the **Income Tax** column in IRIS Payroll Business.

- The **Amount Due** 2576.84 calculated by IRIS Payroll Business includes the week 6 figures, which is correct. However you did not pay all of that to HMRC, so in the **Actual Paid** column enter the **TOTAL DUE** figure for month 1, 2028.86.

- The **Month End Notes** screen opens so you can enter an explanation for the change, in this case '547.98 for week 6 not yet paid'.

10. Reconcile converted figures in IRIS Payroll Business

Print and compare the following reports:

- From IRIS Payroll Business, the **P35 Summary** and the **Year to Date Summary**
- From IRIS PAYE-Master, the **P35** and **Payroll Summary**

11. Input Statutory Sick Pay details

All SSP payments need to be set up manually.

If you are currently paying an employee **SSP** in PAYE-Master, you need to enter the absence into the **Diary** in IRIS Payroll Business.

In the **Selection Side Bar** select the **Employee** menu then click on the **Home** tab and click **Diary Entry** – the **Absence Diary** screen will open:
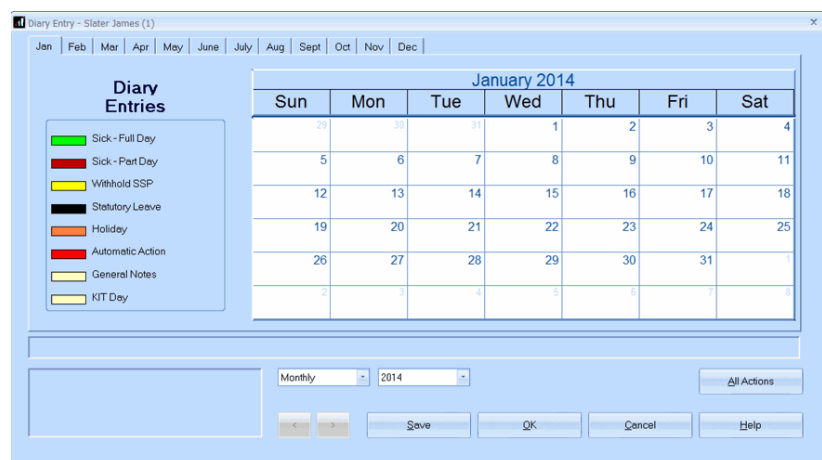
Find the first day of the current period of sickness; don't forget to include any linking periods. Double click on that day and the **Absence Entry** screen will open:
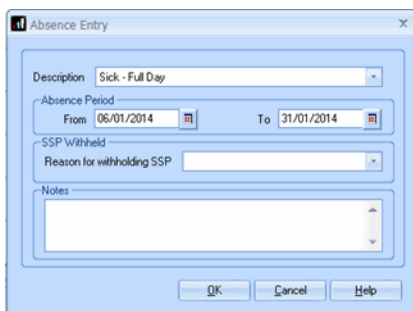
In the **To** box, alter the date to the last day of sickness then click **OK**.

A green line will appear on the **Absence Diary** representing the period of sickness. An amount of **SSP** to be paid in the next payroll run appears in the bottom left corner of the screen, and if you hover your mouse over the green line, details of the **SSP** to be paid in the next payroll appear, including the number of days paid and the number of waiting days:

The amount of SSP shown may be incorrect, because you have already paid some of it on IRIS PAYE-Master. You need to adjust the amount of SSP the next time you run a payroll:

In the **Enter Variations** screen alter the amount of SSP that appears in the SSP field.
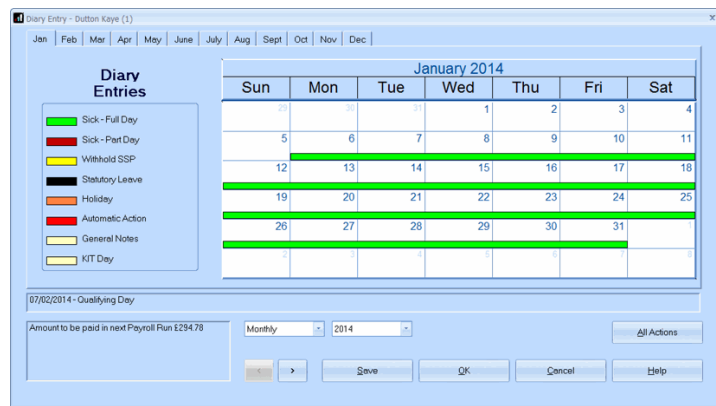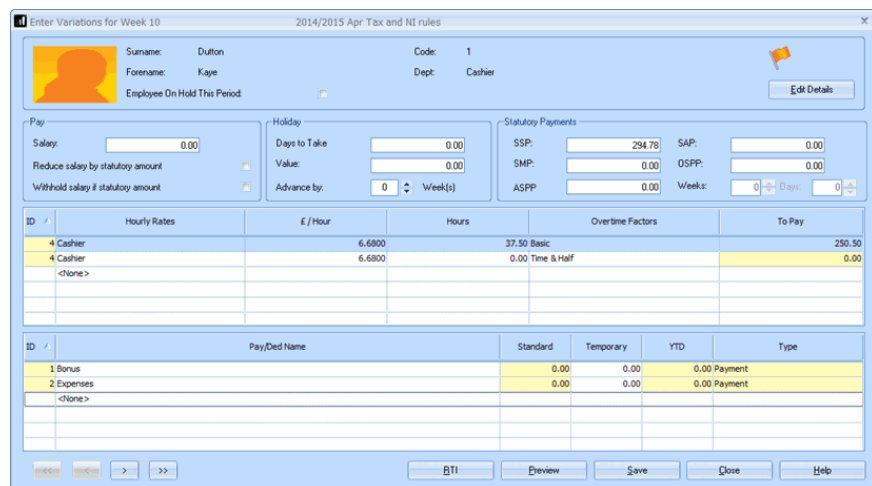
No SSP Paid

When you enter SSP into the Absence Diary screen IRIS Payroll Business checks that there is enough pay history on the system to calculate the average earnings for SSP. If there is not enough history, no SSP amount will be calculated and the message 'No Entitlement to SSP. Please complete form SSP1' will be shown. If this happens when you know the employee is entitled you need to enter the SSP manually in the Enter Variations screen.

12. Input Holiday details

Employee Holiday Pay Rate Setup

Each individual employee's entitlement and holiday remaining is converted from PAYE-Master. If you do not pay holiday separately (for example if you just pay a monthly salary) this is enough information, you don't need to enter anything more. However if you pay holiday separately you need to enter each employee's **Holiday Rate**, i.e. the rate of pay for holiday.

On the **Selection Side Bar** double-click on the employee's name to open the **Employee Details** screen. Click on the **Absence** tab and select the **Holiday Type** – this specifies the units that holiday is calculated in. The default is **Per Day** which means you need to enter a daily rate in the **Holiday Rate** field.

Examples:

Both employees below are paid £10 per hour and work 8 hours per day. Each is entitled to 26 days of holiday each year and has 11 days left.

Holiday	
Entitlement	26.00
Days Left	11.00
Holiday Rate	80.0000
Holiday Type	Per Day
1 Diary day represents	1.00 Days

Holiday	
Entitlement	208.00
Hours Left	88.00
Holiday Rate	10.0000
Holiday Type	Per Hour
1 Diary day represents	8.00 Hours

This employee is paid holiday by the day, i.e. £80 per day.

This employee's holiday is calculated by the hour not by the day, so the figures are entered in hours.

For more information, click on the **Help** button.

Default Holiday Setup

You can also enter default holiday information into IRIS Payroll Business so that when you create a new employee the holiday entitlement is created for you. Click on the **Company** tab then click **Holiday Setup**. Click the **Help** button for assistance completing this screen.

13. Configure Work Periods

The pay dates for all your pay frequencies are converted automatically. However, IRIS Payroll Business also requires information about the **Work Period** which is used when calculating statutory payments such as SMP. The **Work Period** defines when your employees actually did the work for which they are paid on the corresponding pay day. For example if you pay weekly on Fridays one week in arrears your employees' Week 1 pay will be paid on 9th April 2010 for the work they did in the **Work Period** from 27th March to 2nd April 2010.

M	T	W	T	F	S	S
22	23	24	25	26	27	28
29	30	31	1	2	3	4
5	6	7	8	9	10	11

☐ Work Period   ◯ Pay Date

To enter the **Work Periods** click on the **Company** tab and click **Payroll Calendar** – the **Pay Period Set Up Wizard** screen opens.
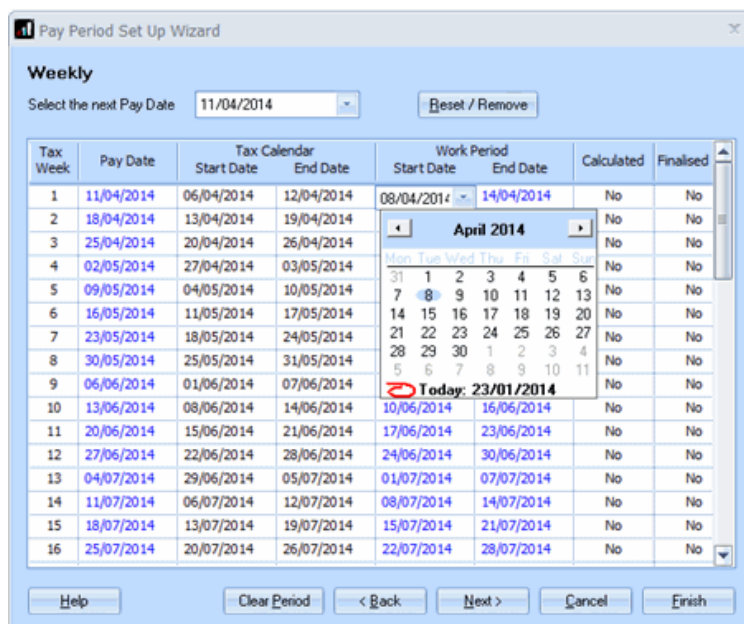
For each pay frequency you use, click in the **Work Period Start Date** column then select the start date of your first **Work Period**. IRIS Payroll Business will complete all the other dates for you.

Click **Next** to go on to the next pay frequency.

Click **Finish** when you have entered the information for all the pay frequencies you use.

14. Parallel run the next payroll along with IRIS PAYE-Master

Check the correct amounts are calculated in IRIS Payroll Business.

> WE STRONGLY RECOMMEND THAT YOU PARALLEL RUN IRIS PAYROLL BUSINESS WITH IRIS PAYE-MASTER FOR AT LEAST ONE PAYROLL PERIOD AFTER CONVERSION. IF THIS IS NOT POSSIBLE CHECK THE FIRST PERIOD'S FIGURES THOROUGHLY

www.iris.co.uk/customer

How to contact us

If you have any questions on this guide or difficulties with converting, please contact Support who will be happy to help you.

You can call on 0844 815 5661 (option 4) or contact us at **www.iris.co.uk/contactsupport**

.IRIS

Software available from IRIS

IRIS Payroll Basics
Free, RTI compliant payroll software for companies with fewer than 10 employees

IRIS Payroll Business
Intelligent, easy to use payroll software for smaller businesses

IRIS Payroll Professional
Flexible payroll software for medium sized businesses

IRIS Bureau Payroll
Intelligent management for multiple payrolls

IRIS OpenPayroll
Cloud-based UK payroll software – accessible from anywhere on PC, Mac or tablet

IRIS P11D
The easy way to complete employee expenses and benefits returns

IRIS HR Manager
The easy way to keep employee data up-to-date

IRIS OpenPayslips
A secure web based solution that allows your employees to access and download their e-payslips via an online portal

Stationery order line

0844 815 5656

HMRC online service helpdesk

Tel: 0300 200 3600
Fax: 0844 366 7828
Email: helpdesk@ir-efile.gov.uk

HMRC employer helpline

Tel: 0300 200 3200

HMRC employer helpline** (for new business)

Tel: 0300 200 3211

Support

Tel: 0844 815 5661 (option 4)
Fax: 0844 815 5665
Email: ipsupport@iris.co.uk

Call **0844 815 5656**, or visit **iris.co.uk** to find out more